

# Financial Statements

## Equi Rehab Limited (formerly Solicitor Solutions Limited)

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**For the year ended 30 September 2008**



## Company information

**Company registration number**

4872341

**Registered office**

2nd Floor, UK House  
82 Heath Road  
TWICKENHAM  
Middlesex  
TW1 4BW

**Directors**

M Evans  
M O'Shaughnessy  
R C Bignell

**Secretary**

M O'Shaughnessy

**Auditor**

Grant Thornton UK LLP  
Chartered Accountants  
Registered Auditors  
Byron House  
Cambridge Business Park  
Cowley Road  
CAMBRIDGE  
CB4 0WZ

## Report of the directors

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## Report of the directors

The directors present their report with the financial statements of the company for the year ended 30 September 2008.

### **Commencement of trading**

The company commenced trading on 1<sup>st</sup> February 2008. The accounting periods to this date were non trading and the company was known as Solicitor Solutions Limited until 10<sup>th</sup> March 2008, when the name was changed to Equi Rehab Limited.

### **Principal activities**

The principal activity of the company in the year under review was that of rehabilitation report administration for the insurance industry.

### **Directors**

The directors who have held office during the year under review were:

M Evans  
M O'Shaughnessy  
R C Bignell

### **Statement of directors' responsibility**

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is aware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor are aware of that information.

## Report of the directors

### **Auditor**

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

### **Small company provisions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD



M Evans  
Director

23 April 2009



## Report of the independent auditor to the members of Equi Rehab Limited

We have audited the financial statements of Equi Rehab Limited for the for the year ended 30 September 2008 which comprise the profit and loss account, the balance sheet, and notes 1 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

### **Respective responsibilities of directors and auditor**

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.



## Report of the independent auditor to the members of Equi Rehab Limited (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the directors is consistent with the financial statements.

**GRANT THORNTON UK LLP  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS**

CAMBRIDGE

*23 April 2009.*

## Profit and loss account

	Note	Year ended 30 Sept 08 £	Year ended 30 Sept 07 £
Turnover		825,235	-
Cost of sales		466,827	-
<b>Gross profit</b>		<b>358,408</b>	-
Administrative expenses		77,158	-
<b>Operating profit</b>	2	<b>281,250</b>	-
Interest receivable and similar income		68	-
<b>Profit on ordinary activities before taxation</b>		<b>281,318</b>	-
Tax on profit on ordinary activities		89,148	-
<b>Profit for the financial year after taxation</b>		<b>192,170</b>	-

All activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year.



## Balance sheet

	Note	30 Sept 2008 £	30 Sept 2007 £
<b>Fixed assets</b>			
Tangible assets	3	2,818	-
<b>Current assets</b>			
Debtors	4	609,345	-
Cash at bank		26,049	1
		<u>635,394</u>	<u>1</u>
<b>Creditors: amounts falling due within one year</b>	5	<u>446,041</u>	<u>-</u>
<b>Net current assets</b>		<u>189,353</u>	<u>1</u>
		<u>192,171</u>	<u>1</u>
<b>Capital and reserves</b>			
Called-up equity share capital	6	1	1
Profit and loss account	7	192,170	
<b>Shareholders' funds</b>		<u>192,171</u>	<u>1</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 25<sup>th</sup> April 09 and were signed on its behalf by:



M Evans - Director

## Notes to the financial statements

### 1 Accounting policies

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Turnover

Turnover represents net invoiced sales of services, excluding value added tax. Revenue is recognised at the point which a contractually enforceable right to income arises.

#### Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life.

<b>Computer equipment</b>	-	<b>33% on cost</b>
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#### Taxation

Current tax, including 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, except that deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### Cashflow statement

The company has taken advantage of the exemption afforded to small companies not to prepare a cashflow statement.

## Notes to the financial statements

### **2 Operating profit**

Operating profit is stated after charging:

	<b>Year ended 30 Sept 08</b>	<b>Year ended 30 Sept 07</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	764	-
Audit fees	<u>5,000</u>	<u>-</u>

### **3 Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 October 2007	-
Additions	3,582
At 30 September 2008	<u>3,582</u>
<b>Depreciation</b>	
At 1 October 2007	-
Charge for period	764
At 30 September 2008	<u>764</u>
<b>Net book value</b>	
At 30 September 2008	<u>2,818</u>
At 30 September 2007	<u>-</u>

### **4 Debtors: Amounts falling due within one year**

	<b>30 Sept 2008</b>	<b>30 Sept 2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	600,075	-
Amounts owed by group undertakings	9,269	-
Other debtors	1	-
	<u>609,345</u>	<u>-</u>

## Notes to the financial statements

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

	30 Sept 2008	30 Sept 2007
	£	£
Trade creditors	77,397	-
Taxation	89,147	-
Amount due to group undertaking	119,497	-
Accrued expenses	160,000	-
	<u>446,041</u>	<u>-</u>

### 6 Called up share capital

Authorised share capital:

	30 Sept 2008	30 Sept 2007
	£	£
1,000 ordinary share of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	30 Sept 2008	30 Sept 2007
	£	£
1 ordinary share of £1	<u>1</u>	<u>1</u>

### 7 Reserves

	Profit and loss account £
At 1 October 2007	-
Profit for the period	192,170
At 30 September 2008	<u>192,170</u>

### 8 Contingent liabilities

A cross guarantee has been entered into with the group's bank, Clydesdale Bank Plc, whereby all positive balances that exist within the group headed by Crusader Assistance Group Holdings Limited (the ultimate parent undertaking), or any of its subsidiaries, may be called upon to secure or repay any net bank indebtedness. At 30 September 2008 there was group indebtedness of £2,968,000 (2007 - £nil)

The bank also has a debenture secured over the assets of group companies.

## Notes to the financial statements

### **9 Reconciliation of movements in shareholders' funds**

	2008 £	2007 £
Proceeds for share issue	1	-
Profit for the year	192,170	-
	<hr/>	<hr/>
Net addition to shareholders' funds	192,171	-
Opening shareholders' funds	-	-
	<hr/>	<hr/>
Closing shareholders' funds	192,171	-
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### **10 Related party transactions**

The company has taken advantage of the exemptions in FRS 8 Related Party Transactions not to disclose transactions with group companies that are eliminated on consolidation in the group financial statements for the year.

#### **Prolegal Limited**

S P Edwards, a director and shareholder during the year of the company's ultimate parent company also owns and controls Prolegal Limited.

During the period the company received income of £569,747 (2007 - £nil) from Prolegal Limited for referrals of rehabilitation appointments. At 30 September 2008 there were amounts due from Prolegal Limited of £460,368 (2007 - £nil).

### **11 Parent company and controlling party**

The immediate parent company is Crusader Group Holdings Limited, a company registered in England and Wales.

The ultimate parent company and controlling party is Crusader Assistance Group Holdings Limited, a company registered in England and Wales.