

# **Crusader Group Holdings Limited**

Annual report and financial statements

Registered number 05684182

Year ended 31 December 2020

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## **Crusader Group Holdings Limited**

### **Company Information:**

<b>Directors:</b>	J J Cosgrove J Harman R McDonald (appointed 8 January 2020 and resigned 15 September 2020)
<b>Company Secretary:</b>	C E E Russell
<b>Registered Number:</b>	05684182
<b>Registered Office:</b>	Kindertons House Marshfield Bank Crewe Cheshire CW2 8UY
<b>Banker:</b>	Barclays Bank plc Hatton Garden Leicester Leicestershire LE87 2BB
<b>Auditor:</b>	KPMG LLP 1 St Peter's Square Manchester M2 3AE

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## **Directors' report**

The directors present their report and the financial statements for the year ended 31 December 2020. The comparative period is for the year ended 31 December 2019. The Directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies' exemption. The exemption from preparing the strategic report has also been based on the small companies' exemption.

The Company is a subsidiary undertaking of ExamWorks UK Limited, the top UK Group, and the results of the Company are now consolidated in this Group. The ultimate ownership of ExamWorks UK Limited is a "private equity" structure being constituted by Gold Parent GP, LLC (limited liability company registered in Delaware, USA) (GP), Gold Parent, L.P. (limited partnership registered in Delaware, USA) (LP), Gold Holdco, Inc. (corporation registered in Delaware, USA) and Gold Intermediate Holdco, Inc. (corporation registered in Delaware, USA). The LP is controlled by the Board of Managers of the GP. The limited partners holding 5% or more of the Class A Units of the LP and the members of the GP are EXW Coinvest L.P., Green Equity Investors Side VI, L.P., Green Equity Investors VI, L.P. and Viggo Investments Pte. Ltd.

### **Principal activity**

The principal activity of the Company during the year was that of a holding company.

### **Results and dividends**

During the year the loss after taxation amounted to £990,000 (2019 - £nil).

The directors have not recommended the payment of a dividend in the current year (2019 - £nil).

### **Directors**

The directors who held office during the year were as follows:

J J Cosgrove

J Harman

R McDonald – appointed 8 January 2020 and resigned 15 September 2020

### **Qualifying third party indemnity provisions**

The directors are covered by third party indemnity insurance.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



**J Harman**  
Director

Kindertons House  
Marshfield Bank  
Crewe  
Cheshire  
CW2 8UY

Date: 12 August 2021

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 year. 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.



## **Independent Auditor's report to the members of Crusader Group Holdings Limited**

### **Opinion**

We have audited the financial statements of Crusader Group Holdings Limited ("the company") for the year ended 31 December 2020, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Crusader Assistance Group Holdings Limited's policies and procedures to prevent and detect fraud that apply to this company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.



## **Independent Auditor's report to the members of Crusader Group Holdings Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect (continued)**

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.



## **Independent Auditor's report to the members of Crusader Group Holdings Limited** *(continued)*

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

**Carla Kennaugh (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 St Peter's Square  
Manchester  
M2 3AE  
Date: 12 August 2021



**Profit and Loss Account and Other Comprehensive Income**  
*for year ended 31 December 2020*

	<i>Note</i>	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
Administrative expenses		-	-
<b>Operating profit</b>		-	-
Impairment of investment	2	(990)	-
<b>Loss on ordinary activities before taxation</b>		(990)	-
Tax on loss on ordinary activities		-	-
<b>Loss for the year</b>		(990)	-
Other comprehensive income		-	-
<b>Total Comprehensive loss for the year</b>		(990)	-

The notes on pages 10 to 13 form an integral part of these financial statements.

**Balance Sheet**  
at 31 December 2020

	Note	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Investments	4	-	990
<b>Current assets</b>			
Debtors		-	-
<b>Creditors: amounts falling due within one year</b>		-	-
<b>Net current assets</b>		-	-
<b>Total assets less current liabilities</b>		-	990
<b>Net assets</b>		-	990
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		(1)	989
<b>Shareholders' funds</b>		-	990

The notes on pages 10 to 13 form an integral part of these financial statements.

These financial statement have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors on 12 August 2021 and were signed on its behalf by:



**J Harman**  
Director  
Company registered number: 05684182

## Statement of Changes in Equity

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2019	1	989	990
<b>Total comprehensive income for the year</b>			
Results for the year	-	-	-
<b>Balance at 31 December 2019 and 1 January 2020</b>	<b>1</b>	<b>989</b>	<b>990</b>
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(990)	(990)
<b>Balance at 31 December 2020</b>	<b>1</b>	<b>(1)</b>	<b>-</b>

The 1,000 ordinary shares of £1 each have full voting rights, rights to dividends declared and on a capital distribution (including on winding up) the shares shall be entitled to all remaining assets after the distribution of £15 million to the holders of the founder shares. The shares are non-redeemable.

The 100 founder shares of £1 each have no voting rights, no rights to dividends declared on that class of share and on a capital distribution (including on winding up) they shall be entitled to the first £15 million distributed. The shares are non-redeemable.

The notes on pages 10 to 13 form an integral part of these financial statements.

**Notes**  
**(forming part of the financial statements)**

**1 Accounting policies**

Crusader Group Holdings Limited (the "Company") is a private company limited by shares and incorporated in England. The registered office is Kindertons House, Marshfield Bank, Crewe, Cheshire, CW2 8UY.

The Company's principal activities and nature of its operations are disclosed in the Directors' report.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 2012 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the function currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted have been applied consistently and are set out below.

**1.1 Going concern**

As discussed in the Directors' report, the Company is a direct subsidiary of Examworks UK Limited, the top UK Group, and acts as an operating subsidiary of the Group. As at 31 December 2020, the company had net current assets of £nil (2019 - £nil), and net assets of £nil (2019 - £990,000). Crusader Group Holdings Limited financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the reasons outlined below.

In determining whether the Company's financial statements for the year ended 31 December 2020 can be prepared on a going concern basis, the directors considered all factors likely to affect their future development, performance and financial position, including cash flows, liquidity position and borrowing facilities and the risks and uncertainties relating to its business activities in the current economic climate.

The directors have prepared the Company's trading and cash flow forecasts for the period to 30 September 2022 from the date of approval of these financial statements which take into account actual experience as a result of the COVID pandemic. These forecasts indicate that, taking account of severe but plausible downside scenarios, the Company will have sufficient funds, through funding from Examworks Group Inc. to meet its liabilities as they fall due for that period.

Examworks Group Inc. has indicated its intention to continue to provide such support to the company as needed for at least 12 months from the signing of these accounts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors have formed a judgement that there is a reasonable expectation that the Company and group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**1.2 Basic financial instruments**

**Investments in subsidiaries**

Investments in subsidiaries are carried at cost less impairment.

**Notes (continued)**

**1 Accounting policies (continued)**

**1.3 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Current tax is expected tax payable on the taxable income for the year, using tax rates in force for the year end, and any adjustment to tax payable in respect of previous years.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

**2 Expenses and auditor's remuneration**

*Included in the loss are the following:*

	2020 £'000	2019 £'000
Impairment of investment	990	-

During the year, an impairment review was carried out with respect to the Company's investment in its subsidiary, Crusader Uninsured Loss Recovery Service Limited. As a result of the impairment review the investment was deemed to be impaired by £990,000.

Auditor's remuneration was paid on behalf of this Company by Crusader Uninsured Loss Recovery Service Limited, a subsidiary undertaking of Crusader Group Holdings Limited.

**3 Directors' remuneration**

	2020 £'000	2019 £'000
Directors' remuneration	415	267
Company contributions to defined contribution pension schemes	15	23

	Number of directors 2020	2019
Retirement benefits are accruing to the following number of directors under:		
Defined contribution schemes	3	3

The aggregate remuneration of the highest paid director was £164,000 (2019 - £154,000). The value of the Company's contribution paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,000 (2019 - £20,000).

There is no directors' remuneration paid by this Company. Directors' remuneration is paid by Crusader Uninsured Loss Recovery Service Limited (a group undertaking) without recharge.

**Notes (continued)**

**4 Investments**

	<b>Shares in group undertakings £'000</b>
<i>Cost or valuation</i>	
Balance at 1 January 2020	990
	<hr/>
Balance at 31 December 2020	990
	<hr/>
<i>Impairment</i>	
Balance at 1 January 2020	-
Impairment in the year	990
	<hr/>
Balance at 31 December 2020	990
	<hr/>
<i>Net book value</i>	
At 31 December 2019	990
	<hr/>
<b>At 31 December 2020</b>	<b>-</b>
	<hr/>

During the year, an impairment review was carried out with respect to the Company's investment in its subsidiary, Crusader Uninsured Loss Recovery Service Limited. As a result of the impairment review the investment was deemed to be impaired by £990,000.

The Company has the following investments in subsidiaries:

	<b>Registered office address</b>	<b>Principal activity</b>	<b>Class and percentage of shares held</b>
<i>Subsidiary undertakings</i>			
<i>A. Directly owned by the Company:</i>			
Crusader Uninsured Loss Recovery Service Limited	Kindertons House, Marshfield Bank, Crewe, CW2 8UY	Claims management services	Ordinary 100%

**5 Related parties**

In accordance with FRS 102 Section 33.1A, transactions between wholly owned subsidiaries or with the parent are exempt from disclosure.

**6 Ultimate parent Company and parent Company of larger group**

The immediate parent company is Crusader Assistance Group Holdings Limited.

The Company is a subsidiary undertaking of ExamWorks UK Limited, a company registered in England and Wales. The ultimate ownership of ExamWorks UK Limited is a "private equity" structure being constituted by Gold Parent GP, LLC (limited liability company registered in Delaware, USA) (GP), Gold Parent, L.P. (limited partnership registered in Delaware, USA) (LP), Gold Holdco, Inc. (corporation registered in Delaware, USA) and Gold Intermediate Holdco, Inc. (corporation registered in Delaware, USA). The LP is controlled by the Board of Managers of the GP. The limited partners holding 5% or more of the Class A Units of the LP and the members of the GP are EXW Coinvest L.P., Green Equity Investors Side VI, L.P., Green Equity Investors VI, L.P. and Viggo Investments Pte. Ltd.

The smallest group in which the results of the Company are consolidated is that headed by Examworks UK Limited, incorporated in England. The registered office of which is Premex House, Futura Park, Horwich, Bolton, BL6 6SX.

The consolidated financial statements are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

**Notes (continued)**

**7 Subsequent events**

On 22 June 2021, CVC Capital Partners ("CVC") signed an agreement to acquire a majority interest in the ExamWorks group, which includes ExamWorks UK Limited. The current owners of ExamWorks, Leonard Green & Partners, L.P and GIC, will retain significant equity stakes in the business alongside CVC. The transaction is expected to close in 2021, subject to certain closing conditions and receipt of required regulatory approvals.