

REGISTERED NUMBER: 07059925 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021
FOR
CRAWFORD CONTRACTOR CONNECTION UK
LIMITED
PREVIOUSLY KNOWN AS
CONTRACTOR CONNECTION (REPAIRNET) UK
LIMITED**

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**CRAWFORD CONTRACTOR CONNECTION UK
LIMITED (REGISTERED NUMBER: 07059925)
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LIMITED**

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for the Year Ended 31 October 2021**

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**CRAWFORD CONTRACTOR CONNECTION UK
LIMITED
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CONTRACTOR CONNECTION (REPAIRNET) UK
LIMITED**

**COMPANY INFORMATION
for the Year Ended 31 October 2021**

DIRECTORS:

S D Pearsall
W B Swain

SECRETARY:

J Pulley

REGISTERED OFFICE:

The Hallmark Building
106 Fenchurch Street
London
EC3M 5JE

REGISTERED NUMBER:

07059925 (England and Wales)

AUDITORS:

Ernst & Young LLP, Statutory Auditor
Birmingham

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**REPORT OF THE DIRECTORS
for the Year Ended 31 October 2021**

The directors present their report with the financial statements of the company for the year ended 31 October 2021.

The directors have utilised the exemption available in section 414(b) of the Companies Act 2006 not to prepare a Strategic Report.

CHANGE OF NAME

The company passed a special resolution on 6 January 2022 changing its name from Contractor Connection (Repairnet) UK Limited to Crawford Contractor Connection UK Limited.

REVIEW OF BUSINESS

The principal activity of the company in the year under review was that of the provision of main contractor services for insurance claims. The Company acts as principal in these transactions but manages its risks by ensuring wherever possible that the contractual obligations with customers are mirrored by terms with suppliers.

The company recorded a loss before tax of £(154,000) (2020: £(52,000) loss) whilst turnover increased by £262k, leading to a small increase in gross profit of £26k, there was a large increase in administrative costs increasing loss. Revenue growth attributable to key client increase in fulfilment work. Administrative costs have risen sharply with large increase in turnover. Prior year admin costs were offset by a release in bad debt provision.

Amounts due to group undertakings, falling due within one year includes the principal amount on hive up of the managed contractors business of GAB Robins UK Limited, this is now repayable on demand having reached the end of the loan term in November 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2021 (2020: £Nil).

POST BALANCE SHEET EVENTS

On the 1 April 2022, the trade and assets of the Contractor Connection (CCC) business held in Crawford and Company Adjusters (UK) Limited were transferred to Crawford Contractor Connection UK Limited. Assets transferred included work in progress and debtors totalling £2.7m. Crawford Contractor Connection UK Limited will pay for these assets using a loan note from a fellow subsidiary.

FUTURE DEVELOPMENTS

The Company will continue to offer main contractor services for the foreseeable future.

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**REPORT OF THE DIRECTORS
for the Year Ended 31 October 2021**

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2020 to the date of this report.

S D Pearsall
W B Swain

GOING CONCERN

At the end of the year ended 31 October 2021, the Company had net liabilities of £1,179,000. A letter of support has been obtained from the ultimate parent company, Crawford and Company.

Crawford and Company, have stated in writing that they will provide financial support until the end of December 2023 to allow Crawford Contractor Connection UK Limited to meet its financial commitments and pay its liabilities as they fall due.

The directors of the Company have then considered the Group's ability to provide support to the Company for the foreseeable future.

The Directors have therefore made enquires of the Group and also reviewed a summary of the Group's assessment of going concern, which covers the period up to December 2023 and includes :

- Forecasts and budgets
- Debt and borrowing facilities, covenant compliance
- Financial and operational risk management
- Sensitivity analysis and stress testing

Based on the estimated liquidity position and the level of cash, cash equivalents, short-term investments, and the available borrowing capacity under the credit facility, in addition to the prospects for continued generation of cash from operating activities, the Directors believe that the Group has sufficient liquidity to meet the Company's short and medium-term business needs and obligations.

As a result, the Directors have continued to prepare the accounts on a going concern basis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, 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 auditors are aware of that information.

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**REPORT OF THE DIRECTORS
for the Year Ended 31 October 2021**

AUDITORS

The auditors, Ernst & Young LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
S D Pearsall - Director

Date: 31 October 2022

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES
for the Year Ended 31 October 2021**

The directors are responsible for preparing the Report of the directors and the financial statements in accordance with applicable United Kingdom 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the company financial statements, state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; 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 company 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CRAWFORD CONTRACTOR CONNECTION UK
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Opinion

We have audited the financial statements of Crawford Contractor Connection UK Limited for the year ended 31 October 2021 which comprise the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 15, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 October 2021 and of its loss 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period until 31 December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
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Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were entitled to take advantage of the small companies exemptions from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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.

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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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are directly relevant to specific assertions in the financial statements and those that report to the financial reporting framework (FRS 102 and the Companies Act 2006) and United Kingdom direct and indirect tax regulations. In addition, the company must comply with operational and employment laws and regulations including health and safety regulations and environmental regulations.

-We understood how Crawford Contractor Connection UK Limited is complying with those frameworks by making enquiries of management, those charged with governance and those responsible for legal and compliance procedures and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.

-We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management, and those charged with governance to understand where it considered there was susceptibility to fraud. We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and gained an understanding as to how those procedures and controls are implemented and monitored. We determined there to be a risk of management override in relation to the posting of non-standard manual journals in respect of revenue.

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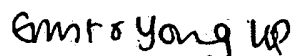
To address the risk of management override, we have used data analytics and obtained the entire population of journals for the year and identified specific transactions for further investigation based on certain criteria. We understood the transactions identified for testing and agreed them to source documentation.

-Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved understanding management's internal controls over compliance with laws and regulations; enquires of management and performing focused testing throughout the audit agreeing a sample of transactions to supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.



Lorna McNeil (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

Date: 31 October 2022

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**STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 October 2021**

		2021	2020
	Notes	£'000	Restated £'000
TURNOVER	3	620	358
Cost of sales		<u>(562)</u>	<u>(326)</u>
GROSS PROFIT		58	32
Administrative expenses		<u>(129)</u>	<u>(7)</u>
OPERATING (LOSS)/PROFIT		(71)	25
Interest receivable and similar income	5	-	6
Interest payable and similar expenses	6	<u>(83)</u>	<u>(83)</u>
LOSS BEFORE TAXATION	7	(154)	(52)
Tax on loss	8	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(154)	(52)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u><u>(154)</u></u>	<u><u>(52)</u></u>

The notes form part of these financial statements

**CRAWFORD CONTRACTOR CONNECTION UK
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**BALANCE SHEET
31 October 2021**

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Intangible assets	9	-	-
CURRENT ASSETS			
Debtors	10	2,778	2,670
CREDITORS			
Amounts falling due within one year	11	<u>(3,957)</u>	<u>(3,695)</u>
NET CURRENT LIABILITIES		<u>(1,179)</u>	<u>(1,025)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,179)</u>	<u>(1,025)</u>
CAPITAL AND RESERVES			
Called up share capital	12	50	50
Other reserves	13	(1,160)	(1,160)
Profit and Loss Account	13	<u>(69)</u>	<u>85</u>
SHAREHOLDERS' FUNDS		<u>(1,179)</u>	<u>(1,025)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 31st October 2022 and were signed on its behalf by:



.....
S D Pearsall - Director

The notes form part of these financial statements

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**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 October 2021**

	Called up share capital £'000	Profit and Loss Account £'000	Other reserves £'000	Total equity £'000
Balance at 1 November 2019	50	137	(1,160)	(973)
Changes in equity				
Total comprehensive loss	-	(52)	-	(52)
Balance at 31 October 2020	50	85	(1,160)	(1,025)
Changes in equity				
Total comprehensive loss	-	(154)	-	(154)
Balance at 31 October 2021	50	(69)	(1,160)	(1,179)

The notes form part of these financial statements

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**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 October 2021**

1. STATUTORY INFORMATION

Crawford Contractor Connection UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling and all values are rounded to the nearest pound (£'000) except when otherwise stated.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

Restatement of prior year balances

The comparative financial statements have been restated to reflect the incorrect mapping of certain sales invoices which do not meet the definition of revenue.

This restatement has resulted in a decrease of £33k in both revenue and cost of sales in the prior year. There is no impact of this reclassification on profit in the prior year or the net assets position in any period of account.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2021**

2. ACCOUNTING POLICIES - continued

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 8.

Bad debts

Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Revenue recognition

Revenue is recognised on an individual claim basis when the service has been provided.

Financial instruments

Financial assets

The company's financial assets include cash and trade and other receivables

Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits.

Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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2. ACCOUNTING POLICIES - continued

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

The taxation liabilities of certain group undertakings are reduced wholly or in part by the surrender of losses by fellow group undertakings for no payment. The tax benefits arising from group relief are recognised in the financial statements of the recipient companies

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

The company's financial statements are presented in sterling, which is also the company's functional currency.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2021**

2. ACCOUNTING POLICIES - continued

Going concern

At the end of the year ended 31 October 2021, the Company had net liabilities of £1,179,000. A letter of support has been obtained from the ultimate parent company, Crawford and Company.

Crawford and Company, have stated in writing that they will provide financial support until the end of December 2023 to allow Crawford Contractor Connection UK Limited to meet its financial commitments and pay its liabilities as they fall due.

The directors of the Company have then considered the Group's ability to provide support to the Company for the foreseeable future.

The Directors have therefore made enquires of the Group and also reviewed a summary of the Group's assessment of going concern, which covers the period up to December 2023 and includes:

- Forecasts and budgets
- Debt and borrowing facilities, covenant compliance
- Financial and operational risk management
- Sensitivity analysis and stress testing

Based on the estimated liquidity position and the level of cash, cash equivalents, short-term investments, and the available borrowing capacity under the credit facility, in addition to the prospects for continued generation of cash from operating activities, the Directors believe that the Group has sufficient liquidity to meet the Company's short and medium-term business needs and obligations.

As a result, the Directors have continued to prepare the accounts on a going concern basis.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

All turnover relates to sales that were derived from the Company's principal continuing activities in the UK.

4. DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION

There were no emoluments paid to directors in the year. The directors were remunerated by fellow group companies. Their remuneration in respect of services to the company are considered to comprise an insignificant proportion of their total remuneration, no amounts are recharged to the company in this respect and none of the directors received any specific remuneration in respect of Crawford Contractor Connection UK Limited. There were no employees in the year other than the directors, details of whom appear in the Director's Report.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£'000	£'000
Intercompany interest	<u>-</u>	<u>6</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£'000	£'000
Intercompany interest	<u>83</u>	<u>83</u>

7. LOSS BEFORE TAXATION

All audit fees of £10,000 (2020: £10,000) and tax charges of £5,000 (2020: £5,000) were borne by a fellow group undertaking.

8. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 October 2021 nor for the year ended 31 October 2020.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£'000	£'000
Loss before tax	<u>(154)</u>	<u>(52)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(29)	(10)
Effects of:		
Group relief received for nil payment	34	16
Movement in unrecognised deferred tax	<u>(5)</u>	<u>(6)</u>
Total tax charge	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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8. TAXATION - continued

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted at the balance sheet date and hence have been reflected in the measurement of deferred tax balances at the period end.

Deferred tax

	2021 Unrecognised £'000	2021 Recognised £'000	2020 Unrecognised £'000	2020 Recognised £'000
Accelerated capital allowances	<u>31</u>	<u>-</u>	<u>29</u>	<u>-</u>

9. INTANGIBLE FIXED ASSETS

Goodwill of £1,600,000 was fully impaired in previous years.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade debtors	61	1
Amounts owed by group undertakings	2,711	2,639
VAT	-	5
Other debtors	<u>6</u>	<u>25</u>
	<u>2,778</u>	<u>2,670</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade creditors	76	106
Amounts owed to group undertakings	3,478	3,269
VAT	69	-
Other creditors	306	283
Accruals and deferred income	<u>28</u>	<u>37</u>
	<u>3,957</u>	<u>3,695</u>

**CRAWFORD CONTRACTOR CONNECTION UK
LIMITED (REGISTERED NUMBER: 07059925)
PREVIOUSLY KNOWN AS
CONTRACTOR CONNECTION (REPAIRNET) UK
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 October 2021**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Amounts owed to group undertakings includes £2,760,000 relating to the principal amount on hive up of the managed contractors business of GAB Robins UK Limited. Interest is charged at 3% per annum and is now repayable on demand having reached the end of the loan term in November 2020.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £'000	2020 £'000
50,000	Ordinary	£1	<u>50</u>	<u>50</u>

13. RESERVES

	Profit and Loss Account £'000	Other reserves £'000	Totals £'000
At 1 November 2020	85	(1,160)	(1,075)
Deficit for the year	<u>(154)</u>	<u>-</u>	<u>(154)</u>
At 31 October 2021	<u>(69)</u>	<u>(1,160)</u>	<u>(1,229)</u>

Other reserves

Other reserves arises following the application of the pooling of interest basis to the hive up of the trade and assets of the managed contractors business of RBAG Legacy UK Limited in November 2015. The other reserve should be considered when assessing the distributable profits of the company.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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14. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

Crawford & Company (incorporated in USA) is regarded by the directors as being the company's ultimate parent company.

The Company's immediate parent company and controlling party is Crawford & Company Adjusters (UK) Limited, a company incorporated in the United Kingdom.

The largest and smallest group of which Crawford Contractor Connection UK Limited is a member, and for which group financial statements are drawn up, is that headed by Crawford & Company, whose principal place of business is at 5335 Triangle Parkway NW, Peachtree Corners, GA 30092. The consolidated financial statements of this group are available to the public and may be obtained from the above address.

15. POST BALANCE SHEET EVENTS

On the 1 April 2022, the trade and assets of the Contractor Connection (CCC) business held in Crawford and Company Adjusters (UK) Limited were transferred to Crawford Contractor Connection UK Limited. Assets transferred included work in progress and debtors totalling £2.7m. Crawford Contractor Connection UK Limited will pay for these assets using a loan note from a fellow subsidiary.