Company Registration No. 05391898

Criterion Adjusters Limited

Annual Report and Financial Statements

For the year ended 31 December 2018

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Criterion Adjusters Limited

Annual report and financial statements 2018

Contents

Criterion Adjusters Limited

Annual report and financial statements 2018

Officers and professional advisors

Directors

M L Davies
A P Jackson (resigned 28/02/2019)
J D Long
C S Monks
A F Rice (appointed 28/02/2019)
R O Yerbury

Secretary

Charles Taylor Administration Services Limited

Registered Office

The Minster Building
21 Mincing Lane
London
EC3R 7AG

Banker

Lloyds Bank PLC
25 Gresham Street
London
EC2V 7HN

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Criterion Adjusters Limited

Strategic report

The directors present their report and audited financial statements for Criterion Adjusters Limited (the Company) for the year ended 31 December 2018.

The directors in preparing this strategic report have complied with s414C of the Companies Act 2006.

Principal activities
The principal activities of the Company during the year were loss adjusting.

Review of the business
Revenues increased to £4.7m (9 months 2017: £2.5m) and the Company has benefited from a increase in its workload.

Financial position
The Company has net assets of £1.8m as at 31 December 2018 (2017: £101k). The profit for the financial year was £1.7m (9 months 2017: £361k). No interim dividend was paid on the ordinary shares during the year (2017: £1.52m). The directors do not propose the payment of a final dividend in respect of 2018 (2017: £nil).

Key performance indicators

Charles Taylor plc (the Group) monitors its key performance indicators at a wider business level rather than legal entity level. In addition to monitoring financial performance against budget, KPI's include monthly fee income, chargeable hours, outstanding debtor days, work-in-progress days and monthly claims in excess of a certain amount. Further information about these KPI's can be found in the publicly available financial statements of the Group.

Principal financial risks and uncertainties

The Company is exposed to legal and commercial risk. The failure to carry out the provision of services with care and efficiency could cause financial loss through loss of contracts or claims for damages. Professional indemnity insurance provides some protection and there are comprehensive policies, procedures and training to minimise the risk.

Lack of business continuity risks and/or the failure of information technology systems are further risks faced by the company and these are managed by business continuity plans and having appropriate support arrangements in place.

Approval
Approved by the Board and signed on its behalf:

M Davies
30 September 2019

Events after the balance sheet date

On 19 September 2019 the boards of LMP Bidco (a company formed on behalf of funds advised by Lovell Minnick Partners LLC) and the ultimate parent entity of the Company, Charles Taylor PLC, reached an agreement on the terms of a recommended cash offer pursuant to which LMP Bidco will acquire the entire issued and to be issued share capital of Charles Taylor. Refer to note 12 for more details. There have been no other significant events since the balance sheet date which would have a material effect on the financial statements.

Going concern

The Group is managed by operating businesses rather than legal entities. The results, position, liquidity and financial resources of the Group are therefore relevant in this context. The directors of Charles Taylor plc have prepared and considered cash flow forecasts and projections for the Group, and these show that the Group has adequate resources to meet its liabilities as they fall due. The Company depends on the Group for funding as required and as such, has received a letter from the ultimate parent confirming that it will continue to provide financial support for at least a year from the date the financial statements are approved. Accordingly the directors of the Company continue to adopt the going concern basis in preparing these financial statements.

Future developments

The directors expect the Company to remain trading for the foreseeable future.

Financial risk management

The Company is exposed to financial risk through its financial assets and its financial liabilities. The most important components of financial risk are interest rate risk, currency risk, credit risk and liquidity risk. The Company does not use hedging or adopt hedge accounting for any type of transactions.

Interest rate risk
The Company is not exposed to material interest rate or currency risk.

Credit risk
Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main area where the Company is exposed to credit risk is in relation to amounts due from group companies. The risk in relation to these balances being irrecoverable is not considered to be material.

Liquidity risk
Liquidity risk is the risk that cash may not be available to pay obligations when due. The Company seeks to mitigate this risk by maintaining sufficient cash to meet its obligations as they fall due either from its own resources or, if not sufficient, by way of funding from other group companies.

Directors

The directors who served throughout the year except as noted, and the present membership of the board are shown on page 1.

Dividends

No interim dividend was paid for the year ended 31 December 2018 (2017: £1.52m).

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force as at the date of this report.

Criterion Adjusters Limited

Dirctors' report (continued)

Statement of the directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial 12 month period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. PricewaterhouseCoopers LLP has expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for PricewaterhouseCoopers LLP to be reappointed as auditors in the absence of an annual general meeting.

Approved by the Board and signed on its behalf:

M Davies

30 September 2019

Independent auditors' report to the members of Criterion Adjusters Limited

Report on the audit of the financial statements

Opinion

In our opinion, Criterion Adjusters Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Income Statement, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Darryl Phillips (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 September 2019

Criterion Adjusters Limited

Income statement

Year ended 31 December 2018

	Note	2018 £	9 months cndcd Dec 2017 £
Turnover		4,675,313	2,507,638
Administrative expenses		(2,586,773)	(1,894,234)
Operating profit	2	2,088,540	613,404
Interest receivable and similar income		211	-
Profit before taxation		2,088,751	613,404
Tax on profit	4	(380,576)	(251,956)
Profit for the financial year / period		1,708,175	361,448

All activities derive from continuing operations.

There are no recognised gains or losses other than the profit for the current year or preceding period.

The notes on pages 10 to 15 form an integral part of these financial statements.

Criterion Adjusters Limited

Balance sheet
At 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	122,454	108,278
Current assets			
Trade and other receivables	6	1,907,710	441,706
Cash at bank and in hand		852,813	694,469
		2,760,523	1,136,175
Creditors: amounts falling due within one year	7	(1,073,752)	(1,143,403)
Net current assets/(liabilities)		1,686,771	(7,228)
Net assets		1,809,225	101,050
Capital and reserves			
Called up share capital	9	114	114
Share premium account		15,386	15,386
Retained earnings		1,793,725	85,550
Total shareholders' funds		1,809,225	101,050

The financial statements of Criterion Adjusters Limited for (registered number 05391898) were approved by the board of directors on 30 September 2019.

The notes on pages 10 to 15 form an integral part of these financial statements.

They were signed on its behalf by

M L Davies

Director

Criterion Adjusters Limited

Statement of changes in equity
Year ended 31 December 2018

	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 January 2018	114	15,386	85,550	101,050
Profit for the financial year	-	-	1,708,175	1,708,175
At 31 December 2018	114	15,386	1,793,725	1,809,225

	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 April 2017	100	-	1,248,374	1,248,474
New issued share capital	14	15,386	-	15,400
Profit for the financial period	-	-	361,448	361,448
Dividends paid	-	-	(1,524,272)	(1,524,272)
At 31 December 2017	114	15,386	85,550	101,050

The notes on pages 10 to 15 form an integral part of these financial statements.

1. Accounting policies

General information

The Company is a private limited company and is registered in England and Wales and domiciled in the UK.

Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

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

- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'.
- The requirements of IFRS 7 'Financial Instruments: Disclosures'.
- The requirements of paragraphs 52 and 58 of IFRS 16 'Leases', which require all lease obligations to be disclosed in a separate note and the presentation of maturity analysis for lease obligations respectively.

Going concern

The financial statements have been prepared on a going concern basis, as discussed in the directors' report on page 3.

Revenue recognition

In accordance with IFRS 15, a five-step approach is taken for recognising revenue from contracts with customers, being loss adjusting services performed in the UK. Revenue for these services is recognised over the contract period as the performance obligation is satisfied over a period of time. Unbilled work in progress is held as accrued income (contract assets), and reviewed regularly to ensure that its carrying value reflects management's view of its ultimate realisable value. Provisions are made where realisable value is expected to be lower than carrying value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income (contract liabilities) and included as part of creditors due within one year.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly recognised on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Criterion Adjusters Limited
Notes to the financial statements
Year ended 31 December 2018

1. Accounting policies (continued)

Foreign currency

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency). Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Taxation

The 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 profit and loss account 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.

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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less their residual value of each asset on a straight line basis over its expected useful life, as follows:

Fixture & Fittings: 5 years
Computer equipment: 4 years

New and amended standards adopted by the Company

The company has adopted the requirements of IFRS 9 and IFRS 15 as at 1 January 2018.

Trade receivables

Trade receivables are measured at amortised cost less any impairment provision, calculated using the simplified approach of measuring expected credit losses, in accordance with IFRS 9. As a result of applying IFRS 9 to the intercompany and trade receivables, no change to the provisions or material impact has been identified. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Criterion Adjusters Limited
Notes to the financial statements
Year ended 31 December 2018

2. Operating profit

Operating profit is stated after charging:

	2018 £	9 months ended 31 December 2017 £
Rentals under operating leases:		
- Land and buildings	57,375	27,065
- Plant and machinery	123,987	80,805
Audit fees	5,000	30,000
Depreciation of tangible assets	38,869	21,732

A proportion of audit fees has been paid on behalf of two other group companies (Criterion Surveyors Limited and Criterion Claims Management Limited) in the current year.

3. Information regarding directors and employees

The amounts charged and the number of staff is shown below.

	2018 £	2017 £
Wages and salaries	1,601,402	1,147,128
Social security costs	200,538	154,371
Other pension costs	111,876	25,009
	1,913,816	1,326,508
	No.	No.
Average number of staff employed	39	34

Directors' remuneration:

Two directors provide services to both this company and other companies within the Charles Taylor group, and it is not considered practical to make a sensible apportionment of their time. Their remuneration is disclosed in the financial statements of Charles Taylor Adjusting Limited. Two directors' primary responsibility is the provision of services to this Company and their total remuneration is shown below.

	2018 £	2017 £
Emoluments	232,500	129,141
	232,500	129,141

Criterion Adjusters Limited
Notes to the financial statements
Year ended 31 December 2018

3. Information regarding directors and employees (continued)

The emoluments of the highest paid director were as follows:

	2018	2017
	£	£
Emoluments	150,000	64,571
	150,000	64,571

4. Tax on profit

The tax charge comprises:

	2018	2017
	£	£
Corporation tax		
Current year	409,594	232,898
	409,594	232,898
Deferred tax		
Current year – fixed asset timing differences	(29,018)	19,058
Tax on profit	380,576	251,956

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before taxation is as follows:

	2018	2017
	£	£
Profit before taxation	2,088,926	613,404
Tax on profit at standard UK corporation tax rate of 19% (2017: 19%)	396,895	116,547
Effects of:		
Expenses not deductible for tax purposes	5,804	135,489
Transfer pricing interest adjustment	1,356	(80)
Capital allowances in excess of depreciation	(23,304)	-
Tax on profit	380,751	251,956

Criterion Adjusters Limited
Notes to the financial statements
Year ended 31 December 2018

5. Tangible assets

	Computer equipment £	Fixture fittings £	Office equipment £	Total £
Cost				
At 1 January 2018	78,662	84,023	-	162,685
Additions	47,948	3,230	1,866	53,044
Disposals	-	(170)	-	(170)
At 31 December 2018	126,610	87,083	1,866	215,559
Accumulated depreciation				
At 1 January 2018	23,143	31,264	-	54,407
Charge for the year	21,550	17,135	184	38,869
Disposals	-	(170)	-	(170)
At 31 December 2018	44,693	48,229	184	93,106
Net book value				
At 31 December 2018	81,917	38,854	1,682	122,453
At 31 December 2017	55,519	52,759	-	108,278

6. Trade and other receivables

	2018 £	2017 £
Due within one year:		
Trade debtors	387,757	218,807
Bad debt provision	(3,002)	(3,000)
Prepayments	53,344	52,797
Contract assets	431,407	-
Amounts owed by group undertakings	993,215	157,982
Other debtors	44,989	15,120
	1,907,710	441,706

Amounts owed by group undertakings are repayable on demand.

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	13,824	12,196
Amounts owed to group undertakings	799,140	352,069
Accruals and deferred income	67,992	157,181
Other taxation and social security	176,029	134,781
Corporation tax	-	434,697
Deferred tax	6,297	35,315
Other creditors	10,470	17,164
	1,073,752	1,143,403

The movement in deferred tax in the year is all through income statement.
Amounts owed to group undertakings are repayable on demand.

8. Dividends

	2018 £	2017 £
Equity - ordinary:		
Paid: £nil (2017: £13,371) per £1 share	-	1,524,272

9. Called up share capital

	2018 £	2017 £
Issued and fully paid:		
114 (2017: 114) ordinary shares of £1 each	114	114

The Company has one class of ordinary shares which carry no right to fixed income and carry equal voting rights.

10. Operating lease commitments

Lease payments under operating leases recognised as an expense in the year were £163,975 (2017: £110,169). At 31 December, the company had outstanding commitments for future minimum lease payments under non-cancellable leases which fall due as follows:

	2018 £	2017 £
Within one year	143,007	163.975
Between two and five years	185,797	328,804
	328,804	492,779

11. Ultimate parent company and controlling party

The ultimate parent and controlling company is Charles Taylor plc, a company registered in England and Wales. Charles Taylor plc is the parent undertaking of the largest and smallest group of undertakings of which the Company is a member and for which group financial statements are produced. Copies of the group financial statements of that company are publicly available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

12. Events subsequent to the balance sheet date

On 19 September 2019 the boards of LMP Bidco (a company formed on behalf of funds advised by Lovell Minnick Partners LLC) and the ultimate parent entity of the Company, Charles Taylor PLC, reached an agreement on the terms of a recommended cash offer pursuant to which LMP Bidco will acquire the entire issued and to be issued share capital of Charles Taylor PLC. The Offer is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act. Under the terms of the Offer, Charles Taylor PLC Shareholders will be entitled to receive 315 pence in cash for each Charles Taylor Share.