

Company registration number 12819769 (England and Wales)

**PILGRIMS RISK MANAGEMENT GROUP LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2023**



# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D J Freear WE Freear
<b>Company number</b>	12819769
<b>Registered office</b>	Unit 3 Links Business Centre Old Woking Road Old Woking, Woking Surrey United Kingdom GU22 8BF
<b>Auditor</b>	Azets Audit Services Limited Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ

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# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

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# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2023

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The directors present the strategic report for the year ended 30 November 2023.

### Fair review of the business

Pilgrims Risk Management Group Limited ("the Company") has set standards across the industry and provides premium quality services that exceed clients' requirements to ensure their people, assets, data and reputation are safe guarded and future proofed against the constant changing of threats and risks global and national that businesses face.

The year saw turnover of £25.7m (2022: £23.7m). The gross profit margin for the year was 9.3% (2022: 12.7%).

The directors are satisfied with the overall performance of the Company. The profit and loss for the period is set out on page 10.

Revenues and profit margins will continue to be the key performance indicators for the Company with strategic objectives being set across the business in order to achieve overall Company performance targets.

### Principal risks and uncertainties

#### FINANCIAL

#### RISK

#### MANAGEMENT

The Company's activities expose it to a number of financial risks including price risk, credit risk, liquidity risk and cash flow risk. Through the recognition of the value of diversity, the Company aims to manage these risks to a minimum level. The Company's policies on price risk, credit risk, liquidity risk and cash flow risk, and its exposure to these risks, are set out below.

#### PRICE

#### RISK

Careful planning and development around clients and service offerings positions the Company to address the competitive price pressures that exist in its marketplace. In future periods, the Company will continue to concentrate on the signing of new clients, cross selling of products and the development of new partner relationships. The Company will also continue to look at investment opportunities that complement the Company's strategy and invest in technology that will enhance core services, drive efficiencies and improve service experience.

#### CREDIT

#### RISK

The Company's principal financial assets are bank balances and trade receivables. The Company's credit risk is primarily attributable to its trade receivables and as such the Company operates a collections function that focuses on timely collection. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance is made where there is an identified loss event which, based on experience, is evidence of a reduction in the recoverability. Credit risk has been strategically managed through maintaining a balanced portfolio of customers spreading risk exposure over a wide range of industry size and segments. The portfolio combines both SME and multi-national corporate clients together with a variety of sovereign agencies.

#### LIQUIDITY RISK

The Company maintains sufficient cash balances as demonstrated in the financial statements. The risk on liquid funds is limited as the main counterparty is a bank with a good credit-rating assigned by international rating agencies. Cash balances held in financial institutions in hostile or semi-hostile areas are kept low to minimise risk of loss.

#### CASH FLOW RISK

The Company endeavours to mitigate dependency on cash, and thus minimise cash flow risk, through sustained focus on controls such as day-to-day cash flow management and reporting and operational forecasting. The vast majority of the Company's transactions are in home currency or US Dollar. The Company maintains bank accounts in the predominant transactional currencies to minimise operational foreign exchange rate risk.

**PILGRIMS RISK MANAGEMENT GROUP LIMITED**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 NOVEMBER 2023**

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On behalf of the board,



.....  
W E Freear

Director

Date: 27/11/24.....

# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 NOVEMBER 2023***

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The directors present their annual report and financial statements for the year ended 30 November 2023.

### **Principal activities**

The principal activity of the company is that of an independent global security, risk management and service support company that identifies and manages risks. Our presence and expertise allows our clients and customers to operate and develop their own businesses, unhindered and unrestricted, both at home and in hostile and difficult regions around the world.

### **Results and dividends**

The results for the year are set out on page 10.

No interim ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D J Freear  
W E Freear

### **Future developments**

The ever-changing political and economic pressures in the main geographic markets continue to present their own individual challenges. However, as always, the Company continues to make detailed strategic assessments of the markets to ensure it is well positioned to react to opportunities and threats alike.

As part of those assessments, the Company has invested into new systems that have yielded efficiency in administrative support areas, new technology & equipment to ensure continuity and improvement in service delivery as well as adding to staffing levels in critical business support areas.

The breadth of services offered by Pilgrims has expanded in 2023/2024 with operations in global conflict zones demanding the capability and capacity of the Company's expert services in varying and flexible form.

The business remains fully committed to growth, both in the UK and overseas, by continuing to uphold the highest level of pride and professionalism in servicing clients.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 NOVEMBER 2023**

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### **Employees**

The Group shares a wide range of policies relating to employees that support hire and retention; these include creating the right working environment and offering attractive reward mechanisms and opportunities for personal development. The Group is committed to promoting policies to ensure that those who are employed are treated equally regardless of status, sex, age, colour, race or ethnic origin.

The Group is committed to ensuring that people with disabilities are supported and encouraged to apply for employment and to achieve progress. They will be treated so that they have an equal opportunity, so far as is justifiable, to be selected, trained and promoted. Every reasonable effort will be made to enable disabled persons to be retained in employment by investigating the possibility of making reasonable adjustments to the role.

The Group is committed to maintaining the highest level of compliance with Health and Safety standards at all times and regarding the safety of its employees, subcontractors, clients, customers and visitors as a key priority. The Group maintains a Health and Safety Policy that is communicated throughout the organisation.

During the year the Company has continued to ensure employees are systematically kept informed of the key matters affecting them in their roles and across the business. The majority of employees work at client locations so communications are conducted through online engagement software that all staff have access to and receive push-notifications from. Furthermore, the software is two-way so employees are also able to submit questions directly to designated management/support teams.

The Employee Engagement Software is not the sole source of communication, the Company's management team attend all work locations on a regular basis, typically weekly as a formality but often more frequently for day-to-day matters.

Communications at the Company's head office are conducted through monthly senior management meetings followed by a cascade of information into the various respective head office teams through team meetings. This process is a 360-degree endeavour, which returns individual/ team commentary back to senior management in a continuous cycle that helps to shape decisions at an operational, tactical and strategic level throughout the year.

Furthermore, the Company operates in an environment that provides easy access to directors and the business owners alike. Regular chair-siding takes place at all levels (including with directors and owners) and employees are encouraged to work openly and collaboratively across functions to ensure day-to-day information flows effortlessly through the organization keeping all employees informed of relevant information.

The Company's efforts to ensure employees views are heard and taken into account in making decisions which affect impact them or the wider business does not stop with the aforementioned engagement software and general business good practice. In particular, our largest commercial engagements have specific structures in place that ensure site visits and weekly/monthly employee meetings follow a structured process for purposes of consistency and comprehensiveness in employee engagement. This includes working with union or employee representatives in some instances affording conveyance of a collective voice where appropriate.

The Company's operational and human resource teams ensure specific matters, such as pay, are communicated on a timely basis, typically annually in accordance with well-established/contracted budgetary review processes.

Pilgrims has also recently introduced anonymous employee surveys on critical welfare matters such as diversity and development needs in the workplace. The Company has commenced a wider Environmental, Social and Corporate Governance (ESG) programme that will also draw on feedback through employment surveys and direct employee engagement.

As noted above, many of Pilgrims employees work at client locations under specific commercial terms and conditions. Under those commercial arrangements, Pilgrims works in partnership with clients to ensure employees pay and conditions are wholly compliant with employment legislation and commensurate for the work undertaken. In many instances, commercial arrangements provide for pay above minimum legislative requirements and additionally provide for specific reward schemes that benefit the employees based on performance in the workplace.

Finally, the conveyance of the Company's own performance is conducted through the publishing of Statutory Accounts on an annual basis. These are available in the public domain and thus accessible to all employees.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 NOVEMBER 2023**

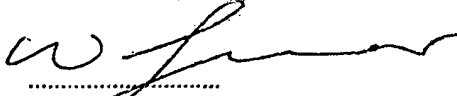
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### Going concern

The directors believe that the Company is well placed to manage its business risks successfully. The financial statements detail the liquidity position of the company.

After making necessary enquiries, the directors have a reasonable expectation that the Company can continue in operational existence for the foreseeable future and at least twelve months from the date of signing of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

On behalf of the board



.....  
WE Freear  
Director

Date: 27/11/24.....



# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 30 NOVEMBER 2023**

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 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.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PILGRIMS RISK MANAGEMENT GROUP LIMITED

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#### Opinion

We have audited the financial statements of Pilgrims Risk Management Group Limited (the 'company') for the year ended 30 November 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2023 and of its profit 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 of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### 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 our 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 this 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 our audit:

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

# **PILGRIMS RISK MANAGEMENT GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF PILGRIMS RISK MANAGEMENT GROUP LIMITED**

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#### **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 strategic report or 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
- 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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. 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF PILGRIMS RISK MANAGEMENT GROUP LIMITED

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**Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### 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.

*Azets Audit Services Limited*

Alex Temlett CA ACA CTA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services Limited

Date: 27/11/2024

Chartered Accountants  
Statutory Auditor

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 NOVEMBER 2023

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		2023	2022
	Notes	£	£
Turnover	3	25,746,689	23,662,190
Cost of sales		(23,294,996)	(20,666,989)
<b>Gross profit</b>		<b>2,451,693</b>	<b>2,995,201</b>
Administrative expenses		(1,678,077)	(1,463,493)
Other operating income	3	680,165	851,728
<b>Operating profit</b>	4	<b>1,453,781</b>	<b>2,383,436</b>
Interest receivable and similar income		11,473	-
<b>Profit before taxation</b>		<b>1,465,254</b>	<b>2,383,436</b>
Tax on profit	7	(232,376)	-
<b>Profit for the financial year</b>		<b>1,232,878</b>	<b>2,383,436</b>

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The profit and loss account has been prepared on the basis that all operations are continuing operations.

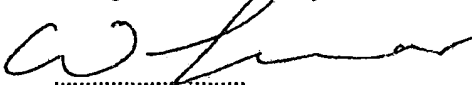
# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## BALANCE SHEET

AS AT 30 NOVEMBER 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		12,049		18,174
<b>Current assets</b>					
Debtors	9	7,159,604		7,998,043	
Cash at bank and in hand		<u>4,202,259</u>		<u>2,843,572</u>	
		11,361,863		10,841,615	
<b>Creditors: amounts falling due within one year</b>	10	<u>(7,655,519)</u>		<u>(8,374,274)</u>	
<b>Net current assets</b>			<u>3,706,344</u>		<u>2,467,341</u>
<b>Net assets</b>			<u>3,718,393</u>		<u>2,485,515</u>
<b>Capital and reserves</b>					
Called up share capital	12		1		1
Profit and loss reserves			<u>3,718,392</u>		<u>2,485,514</u>
<b>Total equity</b>			<u>3,718,393</u>		<u>2,485,515</u>

The financial statements were approved by the board of directors and authorised for issue on 27/11/24 and are signed on its behalf by:

  
.....  
W E Freear  
Director

Company Registration No. 12819769

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2023

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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 December 2021</b>	1	102,078	102,079
<b>Year ended 30 November 2022:</b>			
Profit and total comprehensive income for the year	-	2,383,436	2,383,436
<b>Balance at 30 November 2022</b>	1	2,485,514	2,485,515
<b>Year ended 30 November 2023:</b>			
Profit and total comprehensive income for the year	-	1,232,878	1,232,878
<b>Balance at 30 November 2023</b>	1	3,718,392	3,718,393

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2023

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	Notes	2023		2022	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16		1,356,077		350,607
<b>Investing activities</b>					
Purchase of tangible fixed assets		(8,863)		-	
Interest received		11,473		-	
<b>Net cash generated from/(used in) investing activities</b>			2,610		-
<b>Net increase in cash and cash equivalents</b>			1,358,687		350,607
Cash and cash equivalents at beginning of year			2,843,572		2,492,965
<b>Cash and cash equivalents at end of year</b>			4,202,259		2,843,572

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# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2023

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### 1 Accounting policies

#### Company information

Pilgrims Risk Management Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 3, Links Business Centre, Old Woking Road, Old Woking, Woking, Surrey, United Kingdom, GU22 8BF.

#### 1.1 Accounting convention

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and at least twelve months from the date of signing of these financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have taken into account the effects on the business of the current economic uncertainty and inflationary pressures in assessing the appropriateness of the going concern basis of preparation and have concluded that there is no material uncertainty in this regard based on forecasts prepared which indicate that the Company will have adequate cash resources.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the term of the lease
Fixtures and fittings	20% on cost
Computers	33% on cost
Motor vehicles	20% on cost

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

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### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current 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 reporting end date.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

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### 1 Accounting policies (Continued)

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors consider that there were no key judgements or material sources of estimation uncertainty in the period covered by these financial statements.

### 3 Turnover and other revenue

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Services	25,746,689	23,662,190

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# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

### 3 Turnover and other revenue (Continued)

	2023	2022
	£	£
<b>Turnover analysed by geographical market</b>		
UK	19,825,371	15,487,612
Europe	4,064,553	7,421,901
Rest of world	1,856,765	752,677
	<u>25,746,689</u>	<u>23,662,190</u>
	2023	2022
	£	£
<b>Other revenue</b>		
Interest income	11,473	-
Management charge	635,644	760,148
Rent received	44,521	91,580
	<u>691,638</u>	<u>852,318</u>

### 4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(180,452)	(16,658)
Fees payable to the company's auditor for the audit of the company's financial statements	38,250	33,000
Depreciation of owned tangible fixed assets	14,988	25,953
Operating lease charges	132,769	129,105
	<u>105,549</u>	<u>123,400</u>

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Head office	22	22
Guarding	406	321
	<u>428</u>	<u>343</u>

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

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<b>5 Employees</b>	<b>(Continued)</b>	
Their aggregate remuneration comprised:		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	17,535,716	14,296,842
Social security costs	1,596,760	1,190,780
Pension costs	301,037	221,821
	<u>19,433,513</u>	<u>15,709,443</u>
<b>6 Directors' remuneration</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	188,337	188,337
Company pension contributions to defined contribution schemes	5,502	4,403
	<u>193,839</u>	<u>192,740</u>
<b>7 Taxation</b>		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>232,376</u>	<u>-</u>

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

### 7 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	1,465,254	2,383,436
Expected tax charge based on the standard rate of corporation tax in the UK of 23.00% (2022: 19.00%)	337,008	452,853
Tax effect of expenses that are not deductible in determining taxable profit	7,715	7,861
Losses (utilised)/carried forward	(109,043)	(457,726)
Permanent capital allowances in excess of depreciation	(6,990)	(2,988)
Taxation charge for the year	228,690	-
Taxation charge in the financial statements	232,376	-
<i>Reconciliation - the current year tax charge does not reconcile to the above analysis. Please review figures in the database.</i>	(3,686)	-

### 8 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 December 2022	9,367	5,490	5,939	114,315	135,111
Additions	-	-	8,863	-	8,863
At 30 November 2023	9,367	5,490	14,802	114,315	143,974
<b>Depreciation and impairment</b>					
At 1 December 2022	2,533	5,490	3,461	105,453	116,937
Depreciation charged in the year	1,368	-	4,758	8,862	14,988
At 30 November 2023	3,901	5,490	8,219	114,315	131,925
<b>Carrying amount</b>					
At 30 November 2023	5,466	-	6,583	-	12,049
At 30 November 2022	6,834	-	2,478	8,862	18,174

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

9 Debtors	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	3,686,683	4,166,012
Amounts owed by related undertakings	2,791,493	3,266,190
Other debtors	567,159	430,379
Prepayments and accrued income	114,269	135,462
	<u>7,159,604</u>	<u>7,998,043</u>

10 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	992,060	1,144,801
Amounts owed to related undertakings	3,480,515	3,665,030
Corporation tax	232,376	-
Other taxation and social security	1,062,614	1,308,340
Other creditors	1,036,260	1,332,719
Accruals and deferred income	851,694	923,384
	<u>7,655,519</u>	<u>8,374,274</u>

11 Retirement benefit schemes	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>301,037</u>	<u>221,821</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

12 Share capital	2023	2022	2023	2022
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>



# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

### 13 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	120,000	119,671
Between two and five years	17,425	137,753
	<u>137,425</u>	<u>257,424</u>

### 14 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charge income	
	2023	2022
	£	£
Other related parties	<u>635,644</u>	<u>760,148</u>

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due to related parties		
Other related parties	<u>3,480,515</u>	<u>3,665,030</u>

	2023	2022
	£	£
Amounts due from related parties		
Other related parties	<u>2,791,493</u>	<u>3,266,190</u>

### 15 Ultimate controlling party

The company is a wholly owned subsidiary of PRMG Holdings Limited. The registered office of the parent is Unit 3, Links Business Centre, Old Woking Road, Woking, Surrey, GU22 8BF.

The ultimate controlling party is W E Freear.

# PILGRIMS RISK MANAGEMENT GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2023

### 16 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	1,232,878	2,383,436
<b>Adjustments for:</b>		
Taxation charged	232,376	-
Investment income	(11,473)	-
Depreciation and impairment of tangible fixed assets	14,988	25,953
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	838,439	(4,309,135)
(Decrease)/increase in creditors	(951,131)	2,250,353
<b>Cash generated from operations</b>	<u>1,356,077</u>	<u>350,607</u>

### 17 Analysis of changes in net funds

	1 December 2022 £	Cash flows £	30 November 2023 £
Cash at bank and in hand	<u>2,843,572</u>	<u>1,358,687</u>	<u>4,202,259</u>