

Company Registration No. 10315628 (England and Wales)

PIB (GROUP SERVICES) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



PIB (GROUP SERVICES) LIMITED

COMPANY INFORMATION

Directors	B McManus R Brown P Johnson D Winkett F Andrews	(Appointed 25 April 2023) (Resigned 31 December 2022)
Company number	10315628	
Registered office	Rossington's Business Park West Carr Road Retford Nottinghamshire DN22 7SW	

PIB (GROUP SERVICES) LIMITED

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PIB (GROUP SERVICES) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their Strategic Report of PIB (Group Services) Limited (the "Company") for the year ended 31 December 2022.

Principal activity

The Company's principal activity is the provision of management services to other PIB Group companies. Employees of the PIB Group are also paid through the company and their salaries cost is then recharged to fellow subsidiaries of the group.

Business review & strategy

The integration of acquired businesses is a key tenet of the group's strategy, including the merger of similar regulated businesses into a single entity. Building a core infrastructure which supports common systems and centralised functions will create significant value in the long term and a scalable platform allows cost efficiencies to be realised whilst supporting strong governance and controls. The company carries out its activities in order to support the group in its strategy.

In the opinion of the Directors, the company has performed as expected in the year.

Key performance indicators

The Directors of the Company make use of key performance indicators including number of employees and turnover per employee to measure performance against the Company's strategy. These measures provide the Directors with key, high level indicators of the Company's trading and operational progress.

	31 December 2022	31 December 2021
Number of employees	2,122	1,672
Turnover per employee	£48,516	£47,800

Future developments

The activities of the Company are expected to continue along similar lines for the foreseeable future.

Principal risks and uncertainties

The Risk Committee continually monitors the key risks facing the Company together with assessing the controls used for managing these risks. The Risk Committee formally reports to the Board of Directors which reviews and documents the principal risks facing the business at least quarterly.

Decline in economic conditions

The company operates predominantly in the UK and is affected by economic conditions in the UK and the associated possibility of decline in business and customer confidence. Recently, the Covid-19 pandemic has had an adverse impact on global commercial activity, including the global supply chain; and has contributed to significant volatility in financial markets, including, among others, a decline in equity markets, changes in interest rates and reduced liquidity. It has also resulted in increased travel restrictions and extended shutdowns of businesses in various industries including, among others, travel, trade, tourism, health systems and food supply, and significantly reduced overall economic output.

The Board has developed a strategy that is heavily focused on the achievement of long-term sustainable growth including a diversified business portfolio and the Board believes that this is the most effective way of mitigating the risk of general decline in economic conditions as a result of the Covid-19 pandemic. Other operational measures taken to mitigate the risks associated with Covid-19 include continued system development and enhancements to ensure consistency of speed, customer service and resilience. This has allowed employees across the company to work remotely with secure access to all records and files they would normally have, resulting in minimal disruption to our service to clients. Credit control data continues to be closely monitored to identify any issues promptly and consequently consider any necessity for increasing bad debt provision.

PIB (GROUP SERVICES) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Errors and omissions

The Company is subject to risks arising from non-compliance or misinterpretation of local regulations and failure to meet regulatory standards. The Company mitigates this risk by ensuring that specific training is given in errors and omissions prevention, independent compliance monitoring and strong procedural and system controls are in place including workflow management. In addition the Company has Professional Indemnity insurance cover.

Regulatory risk

There is the risk arising from non-compliance or misinterpretation of local regulations and failure to meet regulatory standards. The Company manages this by having in place operational policies and procedures and regular ongoing quality and compliance audits. In addition, training and development is provided to staff and there is centralised risk and compliance training.

Loss of key staff

There is a risk arising from the inability to retain key staff. As a provider of professional services, the Company's reputation is built on the quality of their key staff members. The Company mitigates this risk through commitment to employee engagement, empowering managers to act as 'owners' of the business, along with effective appraisal and development programs and succession planning processes.

Failure of IT systems

IT systems are a key part of the Company business and any disruption of systems or the supporting infrastructure could adversely impact its operations, income and financial results. To mitigate this risk, investment has been made in robust and reliable IT systems and associated controls.

Cashflow and liquidity risk

The Company is dependent on cash flows from its trading operations, which in turn are reliant on the commissions earned in its subsidiaries. The Company is therefore exposed to the cyclical nature of the insurance industry. The Group manages this risk by focusing on niche profitable lines which are less subject to the cyclical nature of the wider market. Forecasting and cashflow monitoring are carried out to ensure that the capital structure is as efficient as possible.

Political risk

Following the United Kingdom leaving the European Union on 31st January 2020, it entered a transition period for the rest of 2020. A permanent trade agreement was passed by both houses of the British parliament on 30 December 2020 and given Royal Assent in the early hours of the next day. We continue to believe that the direct impact on the Company will not be significant because it conducts only limited business within the EU and, importantly, because several additional mitigation strategies have been put in place during the course of 2020 to reduce the risk. The loss of passporting rights however may affect the insurance markets in which the Company operates, possibly reducing insurance capacity, competition and choice.

Brexit could also extend the current Covid-19 induced general decline in economic conditions in the UK where the Group operates predominantly. The diversified business portfolio of the Group continues to mitigate the risk of a general decline in economic conditions.

PIB (GROUP SERVICES) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172(1) Statement

The Directors have acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole. Stakeholder engagement is approached on a Group-wide basis. Further details of the Group's engagement with key stakeholders can be found in the Annual Report and Financial Statements of PIB Group Limited.

The Board's activities and considerations in meeting the s172 requirements are set out below:

Promoting the success of the Company

The Directors have diligently pursued the best interests of PIB (Group Services) Limited, considering the long-term sustainability and profitability of the business. They have carefully assessed opportunities, risks, and the overall strategy to ensure the Company's success.

Considering the impact on employees

The Directors have recognised the importance of the Company's employees and have taken their interests into account when making decisions. They have provided fair employment practices, supported employee well-being, and fostered a positive and inclusive working environment.

Taking into account the interests of customers

The Directors have prioritised delivering value to customers by providing high-quality products/services, addressing their needs and concerns, and maintaining excellent customer relationships. They have also strived to ensure transparency and fair treatment throughout the customer journey.

Engaging with suppliers, regulators and business partners

The Directors have maintained constructive relationships with suppliers, regulators and business partners, considering their interests and working collaboratively to achieve mutually beneficial outcomes. They have upheld ethical standards and promoted responsible sourcing practices.

Considering the impact on the community and the environment

The Directors have recognized their responsibility towards the communities in which they operate and have considered the impact of their activities on the environment. They have implemented sustainable practices, minimized environmental footprint, and supported community initiatives.

Upholding high standards of governance

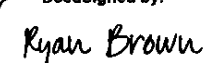
The Directors have maintained effective governance structures and processes, ensuring compliance with legal and regulatory requirements. They have promoted integrity, transparency, and accountability throughout the organisation.

Events after the reporting date

The directors are not aware of any post balance sheet events prior to the financial statements being signed that need to be disclosed or adjusted.

This report was approved by the Board and signed on its behalf by:

DocuSigned by:



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R Brown

Director

20 September 2023

PIB (GROUP SERVICES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report together with the unaudited financial statements of the Company for the year ended 31 December 2022.

Directors

The names of the current Directors are listed on the company information page.

Results and dividends

The results for the year are set out on page 6.

The Directors do not recommend the payment of a dividend for the year (2021: £nil).

Political contributions

The Company made no political donations during the year (2021 - £nil).

Qualifying indemnity provision

The Company has put in place an indemnity in the Articles of Association to indemnify directors and officers of the company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and 234 of the Companies Act 2006.

Employment policy

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Statement of engagement with employees

People are at the heart of our specialist services. The continuing success of the company depends on its employees and its ability to continue to attract, motivate, develop and retain employees of the highest calibre and it aims to provide an environment where individuals can excel. We must also ensure that we share common values that inform and guide our behaviour so we achieve our goals in the right way. Regular engagement with our employees is critical in this context and our independent non-executive directors are active in visiting offices and listening to the views of our employees.

Statement of engagement with suppliers and customers

One of the key tenets of the Group is the ability to leverage not only economies of scale within certain markets but also generate collaboration between Group companies, working together to provide integrated solutions for customers.

Suppliers are monitored constantly in terms of value of offerings from both a financial but also market development perspective. Product suppliers are consistently benchmarked to ensure they are working with us to maximise both customer as well as shareholder value. The company's policy is to agree terms and conditions for its business transactions with suppliers and make payments in accordance with those terms.

Streamlined energy and carbon reporting

The Company's Streamlined Energy and Carbon Reporting (SECR) disclosures form part of the Group's SECR disclosures, which are discussed on page 17 of the PIB Group Limited Annual Report and Financial Statements 2022, which does not form part of this report.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis for preparing the annual Financial Statements (see note 1.2).

PIB (GROUP SERVICES) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of directors' responsibilities

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.

Matters covered in the Strategic Report

As permitted by Paragraph 1A of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on pages 1 to 3.

The Directors' Report was approved by the board and is signed on its behalf by:

DocuSigned by:

Ryan Brown

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R Brown

Director

20 September 2023

PIB (GROUP SERVICES) LIMITED**INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £'000	2021 £'000
Turnover	3	102,950	79,921
Administrative expenses		(140,107)	(107,933)
Amortisation	9	(6,146)	(4,304)
Depreciation	10	(1,181)	(1,032)
Exceptional items	4	(5,041)	(3,528)
Loss before taxation		(49,525)	(36,876)
Tax (charge)/credit	8	1,611	142
Loss for the financial year		(47,914)	(36,734)

The income statement has been prepared on the basis that all operations are continuing operations.

The Company has no comprehensive income (2021: £Nil) other than the amounts recognised in the Income Statement above. Accordingly, no Statement of Comprehensive Income has been presented.

The accompanying notes are an integral part of the financial statements.

PIB (GROUP SERVICES) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	9	12,412	11,622
Tangible assets	10	2,330	1,741
		<u>14,742</u>	<u>13,363</u>
Current assets			
Debtors	11	82,827	43,571
Cash at bank	12	7,158	3,417
		<u>89,985</u>	<u>46,988</u>
Creditors: amounts falling due within one year	13	<u>(247,602)</u>	<u>(155,107)</u>
Net current liabilities		<u>(157,617)</u>	<u>(108,119)</u>
Total assets less current liabilities		<u>(142,875)</u>	<u>(94,756)</u>
Provisions for liabilities	14	<u>(10)</u>	<u>(215)</u>
Net liabilities		<u>(142,885)</u>	<u>(94,971)</u>
Capital and reserves			
Called up share capital	17	-	-
Profit and loss reserves		<u>(142,885)</u>	<u>(94,971)</u>
Total equity		<u>(142,885)</u>	<u>(94,971)</u>

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The accompanying notes are an integral part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 20 September 2023 and are signed on its behalf by:

DocuSigned by:

Ryan Brown

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R Brown
Director

PIB (GROUP SERVICES) LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2021	-	(58,237)	(58,237)
Year ended 31 December 2021:			
Loss and total comprehensive income for the year	-	(36,734)	(36,734)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	-	(94,971)	(94,971)
Year ended 31 December 2022:			
Loss and total comprehensive income for the year	-	(47,914)	(47,914)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	-	(142,885)	(142,885)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

PIB (Group Services) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW.

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 £'000.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments'- Paragraphs 11.42, 11.44, 11.45, 11.47, 11.48 (a) (iii), 11.48 (a) (iv), 11.48 (b), and 11.48 (c).
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

PIB (Group Services) Limited is a wholly owned subsidiary of PIB Group Limited and the results of PIB (Group Services) Limited are included in the consolidated financial statements of PIB Group Limited which are available from the Registrar of Companies (England and Wales), Companies House, Crown Way, Cardiff, CF14 3UZ.

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. The assessment of future performance included the collation and review of in depth annual budgets, review of the company's structure and detailed cash flow plans.

In light of the additional uncertainty regarding the impact of Covid-19 the Company has further considered its financial position and future performance. The Company has sufficient cash resources and has no concerns over the ability to meet its commitments. Well established business continuity plans have been used and the Company is able to continue to support its clients and expects to be able to do so for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the recharge of expenses incurred by the Company to fellow PIB Group companies.

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Software	3 years straight line basis
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1.5 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
Office equipment	4 years straight line basis
Computer hardware	3 years straight line basis

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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in bank, bank deposits and petty cash.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments'.

Financial instruments are recognised in the company's statement of financial position 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.

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors 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.

Interest receivable on basic financial assets is recognised in the income statement based on the effective interest rate method.

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.

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, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Interest payable on basic financial liabilities is recognised in the income statement based on the effective interest rate method.

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 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 income statement 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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.12 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.

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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 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 are included in the income statement for the period.

1.16 Exceptional items

Exceptional items are separately identified to provide greater understanding of the Company's underlying performance. Items classified as exceptional items may include, but are not limited to: gains or losses arising from the sale of businesses and investments; closure costs for businesses; restructuring costs; professional fees in respect of acquisitions; post acquisition integration costs; post acquisition adjustments to balance sheet items; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into the underlying business performance.

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.

At the reporting date, there are no key assumptions or sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 £'000	2021 £'000
Management recharges	102,950	79,921

Turnover analysed by geographical market

	2022 £'000	2021 £'000
United Kingdom	102,950	79,921

4 Exceptional items

	2022 £'000	2021 £'000
Exceptional items	5,041	3,528

Exceptional items relate to restructuring, IT projects, recruitment fees, other restructuring, other professional fees, M & A costs, Carlyle costs, COVID 19 and office moves (2021: restructuring, IT projects, recruitment fees, other restructuring, other professional fees, M & A costs, Carlyle costs, COVID 19 and office moves.)

5 Operating loss

	2022 £'000	2021 £'000
Operating loss for the year is stated after charging:		
Depreciation of tangible fixed assets	1,181	1,032
Amortisation of intangible assets	6,146	4,304
Operating lease charges	380	342

6 Employees

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

	2022 Number	2021 Number
Directors	4	4
Employees	2,118	1,668
	2,122	1,672

PIB (GROUP SERVICES) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****6 Employees****(Continued)**

Their aggregate remuneration comprised:

	2022	2021
	£'000	£'000
Wages and salaries	104,065	80,132
Social security costs	11,430	8,418
Pension costs	3,973	3,308
	<u>119,468</u>	<u>91,858</u>

7 Directors' remuneration

	2022	2021
	£'000	£'000
Remuneration for qualifying services	1,568	4,664
Company pension contributions to defined contribution schemes	35	33
	<u>1,603</u>	<u>4,697</u>

These amounts represent the remuneration borne by this company. The remuneration of certain directors has been borne by another group company.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2021 - 0).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>453</u>	<u>2,762</u>
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PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Taxation

	2022 £'000	2021 £'000
Deferred tax		
Origination and reversal of timing differences	(498)	(266)
Adjustment in respect of prior periods	(1,113)	8
Effect of tax rate change on opening balance	-	115
	<u>(1,611)</u>	<u>(143)</u>
Total deferred tax	<u>(1,611)</u>	<u>(143)</u>

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

	2022 £'000	2021 £'000
Loss before taxation	(49,525)	(36,876)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(9,410)	(7,006)
Fixed asset differences	(68)	(48)
Tax effect of expenses that are not deductible in determining taxable profit	278	40
Group relief	8,821	6,812
Deferred tax adjustments in respect of prior years	(1,113)	8
Remeasurement of deferred tax for changes in tax rates	(119)	51
	<u>(1,611)</u>	<u>(143)</u>
Taxation for the year	<u>(1,611)</u>	<u>(143)</u>

9 Intangible fixed assets

	Software £'000
Cost	
At 1 January 2022	17,997
Additions	6,937
	<u>24,934</u>
At 31 December 2022	<u>24,934</u>
Amortisation and impairment	
At 1 January 2022	6,377
Amortisation charged for the year	6,145
	<u>12,522</u>
At 31 December 2022	<u>12,522</u>
Carrying amount	
At 31 December 2022	<u>12,412</u>
At 31 December 2021	<u>11,622</u>

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Tangible fixed assets

	Leasehold improvements £'000	Office equipment £'000	Computer hardware £'000	Total £'000
Cost				
At 1 January 2022	550	257	3,260	4,067
Additions	1,062	29	679	1,770
At 31 December 2022	1,612	286	3,939	5,837
Depreciation and impairment				
At 1 January 2022	344	96	1,886	2,326
Depreciation charged in the year	281	64	836	1,181
At 31 December 2022	625	160	2,722	3,507
Carrying amount				
At 31 December 2022	987	126	1,217	2,330
At 31 December 2021	206	161	1,374	1,741

11 Debtors

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade debtors	13	-
Corporation tax recoverable	108	48
Amounts due from fellow group undertakings	73,916	37,406
Profit commission due	1,007	917
Other debtors	1,127	737
Prepayments and accrued income	5,259	4,463
	81,430	43,571
Deferred tax asset	1,397	-
	82,827	43,571

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

12 Cash at bank and in hand

	2022 £'000	2021 £'000
Office cash	7,158	3,417

PIB (GROUP SERVICES) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****13 Creditors: amounts falling due within one year**

	2022	2021
	£'000	£'000
Trade creditors	3,166	4,599
Amounts due to group undertakings	230,901	141,404
Other taxation and social security	2,923	1,916
Other creditors	844	596
Accruals and deferred income	9,768	6,592
	<u>247,602</u>	<u>155,107</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

14 Provisions for liabilities

	2022	2021
	£'000	£'000
Onerous lease	10	-
Deferred tax liabilities	-	215
	<u>10</u>	<u>215</u>

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	2022	2021
	£'000	£'000
Balances:		
Unutilised losses	1,710	145
Depreciation in excess of capital allowances	(388)	(513)
Short term timing differences	75	153
	<u>1,397</u>	<u>(215)</u>
Movements in the year:		2022
		£'000
Liability at 1 January 2022		(215)
Credit to profit or loss		1,612
Liability/(Asset) at 31 December 2022		<u>1,397</u>

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Deferred taxation

(Continued)

Finance Bill 2021 enacted provisions to increase the main rate of UK corporation tax to 25% from 1 April 2023. As a consequence, deferred tax balances as at 31 December 2022 and 31 December 2021 are measured at 25%.

16 Retirement benefit schemes

	2022	2021
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	3,973	3,308

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.

17 Called up share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

18 Operating lease commitments

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:

	2022	2021
	£'000	£'000
Within one year	2,043	707
Between two and five years	4,729	1,744
	6,772	2,451

19 Related party transactions

The Company meets the definition of a 'qualifying' entity under FRS 102 and has taken advantage of the exemption permitted by FRS 102 not to disclose transactions with entities that are wholly owned by the Group or total compensation of key management personnel

PIB (GROUP SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Controlling party

The company's immediate parent company is PIB Group Limited, a company registered in England and Wales. Its ultimate parent undertaking is Paisley Equityco Limited, a company registered in Guernsey. As at 31 December 2022, that company was ultimately owned by entities trading as 'the Apax Funds'.

The smallest set of consolidated financial statements to include the company are those of PIB Group Limited, registered company number 09900466. A copy of its financial statements are available from its registered office which is Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW.

The largest consolidated set of financial statements to include the company are those of Paisley Equityco Limited, a company registered in Guernsey, registered company number 68633. A copy of its financial statements are available from its registered office which is PO BOX 656, East Wing, Trafalgar Court, Les Banques, St Peters Port, Guernsey, GY1 3PP.

21 Events after the reporting date

The directors are not aware of any post balance sheet events prior to the financial statements being signed that need to be disclosed or adjusted.