

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

Company No: 01107779

**CORPS
SECURITY**

**CONSOLIDATED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 2023

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CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
COMPANY INFORMATION

Directors

Air Marshal C. M. Nickols CB CBE (Chairman)
Mrs F. E. Strens
Mr S. M. Honap
Mr L. M. Bullock
Mr R. P. Craggs

Secretary

Mr L. Thomas

Registered Office

Market House
85 Cowcross Street
London
EC1M 6PF

Auditor

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Bankers

Leumi UK Group Ltd
126 Dyke Road
Brighton
West Sussex
BN1 3TE

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors have pleasure in presenting their report and financial statements for the year ended 31 March 2023, including the consolidated profit and loss account, the consolidated statement of other comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated and company statements of changes in equity, the consolidated statement of cash flows, the notes to the consolidated statement of cash flows, and the notes to the financial statements. The company balance sheet presents information about Corps of Commissionaires Management Limited only and not about the group as a whole.

Results, business review and dividend

The Board is pleased to report the continued profit performance of the group during the year. Revenue was very strong due to a combination of excellent new sales and strong retention levels. Margins came under some pressure which was in part due to a return to 'normal' trading activities and the long term investment in additional people, in response to the growth. Our Social Enterprise status and commitment to pay the real living wage remains a unique proposition within our sector and this attracts both customers and colleagues to our business in what is a highly competitive market.

The Board continued its strategy of investing in technology to improve management information and to support colleague communications and engagement. Our award winning colleague app, CorpsConnect, was re-launched in conjunction with the leading employee engagement platform Rewards Gateway, opening up significant opportunity for colleagues to take advantage of real discounts with leading retailers and through our instant reward programme, be recognised and celebrated for a job well done. Both the principal scheduling software and payroll systems, successfully implemented last year, have settled very well and have broader capabilities and products that meet our long term strategy of moving from in-house development to external, secure specialists.

Key performance indicators

The business uses an extensive range of reporting tools to generate accurate and timely management information, for example contract profitability, shift fulfillment, debt collection and cash flow. The primary key financial performance indicators used by the business are as follows:

| | 2023 | 2022 | Change |
|--|---------|--------|--------|
| | £'000 | £'000 | % |
| Turnover (including Covid-19 furlough) | 103,301 | 87,055 | 18.7% |
| Gross Profit% | 12.6% | 13.3% | -5.2% |
| Operating Profit | 946 | 871 | 8.6% |
| Net Assets | 4,944 | 4,434 | 11.5% |
| Headcount | 3,636 | 3,228 | 12.6% |

Turnover on continuing operations, including income in the prior year from Government Covid-19 furlough support, has increased by 18.7% which is due to significant growth from securing new business. The group's gross profit % reduced in the year due to the diluting effect of some new large contracts, although still resulting in a significant increase in gross profit contribution. The business continued to realise the benefits from its strategy of investing in technology and operational efficiencies. The operating profit for the year of £946,000 (2022: £871,000) improved by 8.6% as the benefit from the growth in turnover is partly offset by the increased cost in returning to pre-Covid-19 activity levels, for example increased travel costs. The profit before taxation of £674,000 (2022: £794,000) has reduced due to higher interest costs caused by rising interest rates and the business no longer received the benefit from the Government's Covid-19 deferral of VAT payments, which were fully repaid by January 2022.

The group's result combined with the revaluation of freehold properties has led to an increase in the net assets of the group to £4,944,000 (2022: £4,434,000).

The group's headcount has increased from 3,228 to 3,636. The company has relatively low staff turnover which it believes to be amongst the best in the industry.

The results of the group for the year are set out on page 15 and, as has been customary in previous years, the directors do not recommend the payment of a dividend.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The group considers strategic, operational, economic and financial risks on a regular basis and take appropriate actions to actively anticipate, manage and mitigate risks as appropriate. Senior management and the Board, including the non executive directors, are involved in this process.

Competitive risk

The security industry is a highly competitive market where price is a key driver and margins remain under constant pressure. The company actively reviews and monitors its pricing and margin policy and its cost base to mitigate this risk. This approach has proven to be successful in recent years.

Economic risk

Changes in the economic environment, in particular since the Covid-19 pandemic, Brexit and the war in Ukraine, are a particular risk due to the level of uncertainty in the wider environment. This environment has the potential to impact recruitment, costs and demand from customers. The Board continues to monitor these related risks, ensuring its policies and actions are adapted to the changing business environment where appropriate.

Recruitment and retention risk

Following the Covid-19 pandemic and Brexit, recruitment is becoming an ever increasing challenge. The company's commitment to its people is the primary driver of its ongoing success, and focussing on paying the real living wage remains a key part towards improving this and attracting new people to the company.

Working capital and liquidity risk

The company monitors its cash position and debt collection on a daily basis and regularly reviews and updates a detailed cash flow forecast. The company is debt free other than its Invoice Discounting arrangement with Leumi UK Group Ltd, which currently has a minimum term to September 2024. The latest 12 month cash flow forecast confirms that there is significant headroom within the facility.

Section 172(1) statement

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing so they have regard for a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the company are appropriately informed by s172 factors.

Through an open and transparent ongoing dialogue with our key stakeholders, the company has developed a clear understanding of their needs to assess their perspectives and monitor their impact on our strategic ambition and culture. As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders while also having regard to a number of broader factors, including the impact of the company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

Illustrations of how s172 factors have been applied by the Board can be found throughout this Strategic Report. For example:

- The impact of Brexit and war in Ukraine, and the potential for economic challenges (page 4).
- The activities of our competitors (page 4).
- The impact of the Company's operations on the community and environment (page 6).
- The Company's focus and emphasis to delivering the highest standards and various accreditations, such as ISO 9000 : 2000 and ISO 14001 (page 6), Corporate Sustainability (page 6), EcoVadis Silver Medal Award (page 6), The Defence Employer Recognition Scheme (ERS) gold award (page 6) and Social Enterprise status (page 7).
- The Company's commitment to improve the pay and living standards of our security personnel by providing a Living Wage, such as aiming to achieve Living Wage Employer status by the end of 2023
- The Company's commitment to good colleague communication, improving wellbeing and recognising good performance, such as our new partnership with Reward Gateway (page 9).

The section entitled Statement of Engagement with Employees, Customers and Suppliers on pages 8 and 9 sets out our key stakeholder groups and how we engaged with them throughout the year.

The information relating to future developments is included in the Directors Report.

Market House
85 Cowcross Street
London
EC1M 6PF

Date: 16 August 2023

On behalf of the Board



L. Thomas
Company Secretary

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and financial statements for the year ended 31 March 2023. In accordance with s414C(11) of the Companies Act 2006, the information relating to financial risk management is included in the Strategic Report.

Principal activity

The principal activity of the group is the provision of security and facilities services. This includes:-

- the provision of site based guarding and multi-skilled facilities management services such as mailroom, reception and switchboard operation. This service is generally provided on a contract basis.
- the provision of remote monitoring for CCTV, intruder and fire alarms.
- the provision of temporary Commissionaires for special events such as AGMs, sporting events and private functions.

The group trades under the style of Corps Security.

The company was founded with a very specific social mission in mind - to help veterans in need, providing gainful employment for servicemen returning from the Crimean War. For us this is about playing our role in the Armed Forces Covenant - the promise by the nation to ensure that those who serve or who have served in the forces, and their families, are treated fairly. Our focus on this area has meant that we are proud members of The Defence Employer Recognition Scheme (ERS). This scheme encourages employers to support defence and inspire others to do the same. The scheme encompasses bronze, silver and gold awards for employer organisations that pledge, demonstrate or advocate support to defence and the armed forces community, and align their values with the Armed Forces Covenant. We continue to be a gold award member. Our primary partners are Combat Stress and SSAFA The Armed Forces Charity, and we also provide support to The RAF Benevolent Fund, ABF The Soldiers Charity, The Royal Navy and Royal Marines Charity, Blind Veterans UK and Blesma, The Limbless Veterans.

The group continues to use the ISO 9000 : 2000 quality standard as the foundation for its administrative procedures and concentrates on providing a very high standard of service to its customers. Corps Security is an approved contractor under the SIA approved contractor scheme. A key to this service is the emphasis placed on training Security Officers for the tasks required and the innovative use of multi-skilling.

During the year the company engaged external support from PCR Global Limited to facilitate an extensive assessment of our processes, procedures and collation of data. Although fully certified to ISO 14001 and having rigorous processes and procedures in place to ensure that the highest possible environmental and sustainability standards are maintained, our team - alongside PCR Global - have begun the arduous task of digitising all data and partaking in new procedures to elevate our wider Corporate Sustainability policies, goals and deliverable strategies.

The drive to improve Corporate Sustainability includes the environment, but also addresses wider, worldwide standards in sustainability across business. Corps Security has declared a commitment to the UN's Ten Principles of the UN Global Compact, falling in four key focus areas: Human Rights, Labour, Environment and Anti-corruption. We fully engage with the UN 17 sustainable development goals which include No Poverty, Zero Hunger, Good Health and Wellbeing, Quality Education, Gender Equality, Clean Water and Sanitation, Affordable and Clean Energy, Decent work and Economic Growth, Industry Innovation and Infrastructure, Reduced Inequality, Sustainable Cities and Communities, Responsible Consumption and Production, Climate Action, Life Below Water, Life on Land, Peace and Justice, Strong Institutions and Partnerships to achieve the Goal.

Following the intensive work and dedication in this area, the group has been awarded the Silver Medal from EcoVadis, the world's most trusted business sustainability ratings organisation, with a goal to reach Gold by the end of 2024 and an end target of achieving Platinum in due course. The reward of our silver status has allowed the group to reinforce and secure our relationships with our largest customers and opens the door to greater opportunities from internationally operating customers. In achieving the award, we are now engaged in our customer supply chain groups, participating in additional training, and investigating new technologies that will assist in the management of our data and provide a smoother transition to improve our status in the following year.

The group's Environmental Policy exists to promote a positive impact on the environment and develop processes to lower energy, reduce waste and pollution, and mitigate the risk of emergency situations, alongside an updated Carbon Reduction Plan in April 2023.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2023

Corps Security appointed Carbon Footprint Ltd, a leading carbon and energy management company, to independently assess our Greenhouse Gas emissions in accordance with the UK Government's 'Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting requirements', and has used the 2021 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). During the last financial year, the group's total location based CO₂ emissions increased to 418.23 tonnes, still 6.1% below our 2019 baseline and a reduction of 1% on a per £1m turnover basis, with 81% of our electricity sourced from renewable energy. The group used 65.71 tonnes CO₂e from gas and electricity and 314.27 tonnes CO₂e from vehicle fuel. We have significantly broadened the elements in scope, including Well-to-Tank emissions for the first time and more scope 3 elements are now assessed in line with our long term goal to achieve Net Zero, well in advance of the Government's own target of 2050.

We completed a detailed Energy Savings Opportunities Scheme (ESOS) energy audit of our energy use and have an array of recommendations that we continue to work towards, the review of the ESOS policy is due in December 2023, and we expect to share our impact in this area in our 2024 ESG report.

A significant proportion of our environmental impact still sits with the vehicles in our fleet which is essential to our business operations. It remains our position to replace as much of the fleet with electric vehicles, or hybrid in certain situations, as we can. To combat the poor electric charging infrastructure, we have installed vehicle charging points at our owned premises in London and Glasgow. A dual point in London and two dual points in Glasgow gives us the ability to simultaneously charge six of our fleet at any one time. We continue to decrease air travel; and cut the use of paper in offices.

The rollout of Electronic Daily Occurrence Books (EDOBs) has brought synergy between daily operations with all customers and our environmental strategies. Each year over a million entries are input via the EDOB, saving over 100,000 sheets of paper, which is equivalent to half a tonne of paper which would require 12 felled trees and one million litres of water to produce. We have funded several projects to offset the carbon produced including a tree planting scheme in the UK which also helps to protect the Amazon rainforest. However, considering recent news around the validity of such projects, the group is investigating a biodiversity offsetting programme and intend to update our 2024 ESG report with our activities in this area.

Since achieving Social Enterprise status in 2021, we have witnessed continued growth in the social value we can provide to our customers as part of the supply chain, and work alongside them to improve their ESG status. Our work in the community continues to be a fundamental part of the group's culture, with regular fundraisers, charitable giving and volunteering continuing to grow. Our status continues to confirm that we operate with the very best of intentions - to solve a social problem by providing employment and rewarding careers within the industry. Furthermore, it guarantees that appropriate profit generated by our business activities is retained and reinvested in our company or is donated to charity partners.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2023

Corporate Governance

The company has always focused on ensuring that the corporate governance of the company reflects the highest principles and therefore has been aware of the UK Corporate Governance Code applicable to listed companies. The Board therefore welcomes the introduction of the Wates Corporate Governance Principles for Large Private Companies. The Board apply the six principles set out in this document to its corporate governance.

The Board has two Committees (an Audit Committee and a Remuneration Committee) both of whose terms of reference cover the points recommended by the Combined Code.

The duties of the Audit Committee include monitoring the internal controls throughout the group, approving the group's accounting policies and reviewing the annual financial statements before submission to the Board. The Committee meets approximately three times a year. Mr N. K. Pearch was Chairman of the Committee until his resignation on 30 April 2022 and was succeeded by Mr S. M. Honap. Mrs F. E. Strens is a member of the Committee. Representatives from the Auditors attend part of the Committee meetings. The Board receives the minutes of all Audit Committee meetings.

The Remuneration Committee was appointed to establish and implement a formal and transparent procedure for developing policy on executive remuneration and for recommending remuneration packages for the non executive Directors and individual executive Directors for Board consideration and approval. Throughout the year the Committee was chaired by Mrs F. E. Strens and included Mr S. M. Honap. The Committee meets at least twice a year to consider remuneration matters relating to all Board Members. The objective of the Committee is to ensure that the group board members are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the group. In determining such packages and arrangements, the Remuneration Committee has due regard to the Combined Code recommendations as well as the industry norm.

Statement of engagement with employees, customers and suppliers

Employees

We base our business model and the way we operate on a 'circle of care'. We look after our colleagues who look after our customers, who, in turn, look after our company by retaining our services long-term. Everyone matters to us. Making sure that all of our employees are given a stimulating and progressive environment to work in and are valued for the contribution they make to our ongoing success, is a primary focus.

We continually invest in our people, ensuring that they gain the knowledge and skills needed to grow as individuals and advance their careers. We engage with Skills for Security and other industry bodies to support us in our objectives around apprenticeships. Unlike many security companies, we also pay our officers' SIA licence to reduce the financial burden this places on them.

In order to make sure that all parties understand their commitments to the company and each other, we devised our Colleague Charter. Based around the acronym PRIDE - promise, respect and recognition, information, development and envoys - it applies to everyone who works for us, whatever their role.

We provide rewarding employment experiences for our colleagues and continue our drive to improve the pay and living standards of our officer colleagues. In 2020, we joined the Living Wages Foundation's Service Provider Recognition Scheme (SPRS) and our CEO Mr L. M. Bullock is a member of the SPRS Leadership Group. As part of this we've committed to pay all our head office staff the Living Wage. Our commitment has been adjusted this year with the aim to achieve Living Wage Employer status by the end of 2023. This could only be achieved by the group committing to all new contracts, from January 2023, guaranteeing the real Living Wage to all security officers at the time of signature. In addition, customer relationship managers are actively engaging with our customers, educating them on the importance of the Living Wage during the cost of living crisis, rising inflation - driven by rising food prices - and encouraging them to commit for the benefit of our colleagues.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2023

Good colleague communication is fundamental to our culture. CorpsConnect, our colleague portal, has been updated through a partnership with Reward Gateway. It contains everything from training and development through to holiday booking and pay details. Additionally, Reward Gateway offer discounts and benefits from a wide range of retailers and services, including food, vehicle repairs and even holidays. The improved portal has sections of interest to colleagues including workplace benefits, access to Corps Veterans Association and Corps Together, self help guides and support around wellbeing and the cost of living crisis, blogs with internal news and company updates, and an 'instant' reward scheme to allow colleagues to be financially rewarded by local managers or send a recognition card such as a thank you or well done from their peers.

We continue our efforts to create an environment where every individual is considered as just that, individual, and is free to be themselves in the workplace with the confidence that the company will support them. Our focus on diversity and inclusion at work has never been more critical and we have taken steps to ensure this important topic is at the top of our agenda, through our Corps Together initiative. This underpins our core value, 'everyone matters', with the aim to unite all colleagues to ensure a safe, welcoming, accepting and inclusive workplace for all. This is led by a small group of volunteer colleagues called 'Guardians', who protect key commitments from the company: Talk, Opportunity, Goals, Education, Talent, Honesty, Equality and Respect. The outstanding impact of Corps Together has evolved beyond our operations and colleagues, to the local communities at events supporting veterans, religious groups, LGBTQ+ communities and lends a voice to those groups from our diverse teams. Our work in this area has seen Corps Security achieve respected industry awards.

Customers

After our colleagues, our customers are at the heart of everything we do. We are in constant contact with our customers, engaging them in Corps and the work that we do. We continue to develop our Customer Portal, CorpsSecure, a one-stop-shop for everything they need to know about their security provision and trends in the industry.

Suppliers

We operate a small network of trusted supply partners that provide support in areas such as marketing and PR, website design and maintenance through to specialist software providers for employee scheduling and accounting. Where appropriate, partners who directly support our operations teams are ACS accredited in line with Security Industry Authority (SIA) guidelines. We are in constant dialogue with our partners and consider them part of our extended team. They attend company events and are fully engaged with our activities. We also adhere to the Prompt Payment Code, always paying our suppliers on time within the terms agreed at the outset of the contract. As an accredited Living Wage employer, we ensure that our regularly contracted suppliers (those contracted staff who work two or more hours a week, for eight or more consecutive weeks a year) are paid the Living Wage.

Directors and their interests

The directors who served the company during the year were as follows:

| | |
|---|--|
| Air Marshal C. M. Nickols CB CBE (Chairman) | Mr L. M. Bullock |
| Mr S. M. Honap | Mr R. P. Craggs |
| Mrs F. E. Strens | Mr N. K. Pearch (resigned 30 April 2022) |

Future developments

The group's success in recent years has been underpinned by a strategy of investing in technology to develop and improve systems and enhance our offering to new and existing customers, whilst at the same time taking a leading role in promoting the Real Living Wage for our colleagues. The group is committed to continuing investment to deliver further organic growth, including investment in its Corps Monitoring Centre to expand the scope and opportunities available from the group's electronic monitoring capabilities. The group's ability to offer a hybrid solution, a combination of manned and electronic security, places it in a strong position to deliver a more cost effective and tailored security solution to customers, which is more important than ever given both cost and environmental pressures are an increasing challenge in the wider economy.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and Strategic 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Disabled employees

The company is committed to equality, diversity and inclusion and gives consideration to applications for employment of disabled persons where the requirements of the job may be adequately covered by a disabled person. Were a colleague to become disabled we would seek, where possible, to make the necessary workplace adjustment to ensure their continued employment with the company and provide appropriate additional training.

Directors' Insurance

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

Statement as to disclosure of information to auditors

So far as each of the directors at the time the report is approved are aware, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Moore Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Market House
85 Cowcross Street
London
EC1M 6PF

On behalf of the Board



L. Thomas
Company Secretary

Date: 16 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Corps of Commissionaires Management Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Other Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows, the Notes to the Consolidated 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 FRS 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 group's and of the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group 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 group's and parent 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 there is 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 set out on page 10, 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 group's and the parent 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 group or the parent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

**Mital Shah (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP**

**Chartered Accountants
Statutory Auditor**

16 August 2023

9 Appold Street
London
EC2A 2AP

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
AS AT 31 MARCH 2023

| | Notes | 2023 | 2023 | 2022 | 2022 |
|---|-------|----------|-------------------|------------|-------------------|
| | | £'000 | £'000 | £'000 | £'000 |
| Turnover | 3 | | 103,301 | | 86,854 |
| Staff costs | 4 | (89,889) | | (75,647) | |
| Depreciation and amortisation | | (629) | | (726) | |
| Other operating charges | | (11,837) | | (9,811) | |
| Other operating income | | - | | 201 | |
| | | <u>-</u> | <u>(102,355)</u> | <u>201</u> | <u>(85,983)</u> |
| Operating profit | | | 946 | | 871 |
| Profit on ordinary activities before taxation and interest | | | 946 | | 871 |
| Other interest receivable and similar income | | | - | | - |
| Interest payable and similar charges | 7 | | <u>(272)</u> | | <u>(77)</u> |
| Profit on ordinary activities before taxation | | | 674 | | 794 |
| Taxation | 8 | | <u>-</u> | | <u>(3)</u> |
| Retained profit for the financial year | | | <u><u>674</u></u> | | <u><u>791</u></u> |

The above results relate to the continuing operations of the group.

The notes on pages 22 to 36 form part of these financial statements.

**CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 MARCH 2023**

| | Notes | Total 2023 £'000 | Total 2022 £'000 |
|---|-------|------------------------|------------------------|
| Profit for the financial year | | 674 | 791 |
| Actuarial loss on net pension liability | 17 | (188) | (234) |
| Surplus on revaluation of land and buildings | 10 | 14 | 215 |
| Deferred tax credit/(charge) on revaluation of land and buildings | 15 | 10 | (132) |
| Total recognised gains and (losses) relating to the year | | <u>510</u> | <u>640</u> |

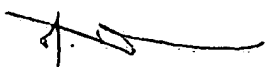
The notes on pages 22 to 36 form part of these financial statements.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

| | Notes | 2023 £'000 | 2023 £'000 | 2022 £'000 | 2022 £'000 |
|---|-------|-----------------|---------------------|-----------------|---------------------|
| Fixed Assets | | | | | |
| Intangible assets | 9 | | 722 | | 835 |
| Tangible assets | 10 | | <u>7,772</u> | | <u>7,493</u> |
| | | | 8,494 | | 8,328 |
| Current Assets | | | | | |
| Debtors | 13 | 17,360 | | 16,632 | |
| Cash at bank and in hand | | <u>5,368</u> | | <u>4,463</u> | |
| | | 22,728 | | 21,095 | |
| Creditors: Amounts falling due within one year | 14 | <u>(25,855)</u> | | <u>(24,556)</u> | |
| Net Current Liabilities | | | (3,127) | | (3,461) |
| Provisions for Liabilities and Charges | 15 | | <u>(423)</u> | | <u>(433)</u> |
| Net Assets | | | <u><u>4,944</u></u> | | <u><u>4,434</u></u> |
| Capital and Reserves | | | | | |
| Called up share capital | 16 | | - | | - |
| Revaluation reserve | | | 4,949 | | 4,925 |
| Share premium account | | | 1,631 | | 1,631 |
| Profit and loss account | | | <u>(1,636)</u> | | <u>(2,122)</u> |
| | | | <u><u>4,944</u></u> | | <u><u>4,434</u></u> |

The notes on pages 22 to 36 form part of these financial statements.

Approved by the Board and signed on its behalf:



L. M. Bullock
Chief Executive Officer

Date: 16 August 2023

Company registration number: 01107779

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

| | Notes | 2023 £'000 | 2023 £'000 | 2022 £'000 | 2022 £'000 |
|---|-------|----------------|---------------------|----------------|---------------------|
| Fixed Assets | | | | | |
| Intangible assets | 9 | | 42 | | 56 |
| Tangible assets | 10 | | 6,154 | | 6,154 |
| Investments | 11 | | <u>725</u> | | <u>725</u> |
| | | | 6,921 | | 6,935 |
| Current Assets | | | | | |
| Debtors | 13 | 1,844 | | 1,508 | |
| Cash at bank and in hand | | | | | |
| | | <u>1,844</u> | | <u>1,508</u> | |
| Creditors: Amounts falling due within one year | 14 | <u>(6,362)</u> | | <u>(5,765)</u> | |
| Net Current Liabilities | | | (4,517) | | (4,257) |
| Provisions for Liabilities and Charges | 15 | | <u>(423)</u> | | <u>(433)</u> |
| Net Assets | | | <u><u>1,981</u></u> | | <u><u>2,245</u></u> |
| Capital and Reserves | | | | | |
| Called up share capital | 16 | | - | | - |
| Revaluation reserve | | | 4,542 | | 4,585 |
| Share premium account | | | 1,631 | | 1,631 |
| Profit and loss account | | | <u>(4,192)</u> | | <u>(3,971)</u> |
| | | | <u><u>1,981</u></u> | | <u><u>2,245</u></u> |

The company made a loss after taxation of £33,000 (2022: Loss - £26,000) in the financial year.

The notes on pages 22 to 36 form part of these financial statements.

Approved by the Board and signed on its behalf:



L. M. Bullock
Chief Executive Officer

Date: 16 August 2023

Company registration number: 01107779

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY
AS AT 31 MARCH 2023

| Group | Notes | Share Capital £'000 | Share Premium £'000 | Revaluation Reserve £'000 | Retained Earnings £'000 | Total £'000 |
|--|-------|---------------------------|---------------------------|---------------------------------|-------------------------------|----------------|
| Balance at 1 April 2021 | | - | 1,631 | 4,842 | (2,679) | 3,794 |
| Year ended 31 March 2022 | | | | | | |
| Surplus for the year | | | | | 791 | 791 |
| Other recognised gains and losses for the year | | | | | (234) | (234) |
| Revaluation of property | | | | 83 | | 83 |
| Total recognised gains and losses for the year | | - | - | 83 | 557 | 640 |
| Balance at 31 March 2022 | | - | 1,631 | 4,925 | (2,122) | 4,434 |
| Year ended 31 March 2023 | | | | | | |
| Surplus for the year | | | | | 674 | 674 |
| Other recognised gains and losses for the year | 17 | | | - | (188) | (188) |
| Revaluation of property | 10 | | | 24 | | 24 |
| Total recognised gains and losses for the year | | - | - | 24 | 486 | 510 |
| Balance at 31 March 2023 | | - | 1,631 | 4,949 | (1,636) | 4,944 |

| Company | | Share Capital £'000 | Share Premium £'000 | Revaluation Reserve £'000 | Retained Earnings £'000 | Total £'000 |
|--|----|---------------------------|---------------------------|---------------------------------|-------------------------------|----------------|
| Balance at 1 April 2021 | | - | 1,631 | 4,518 | (3,711) | 2,438 |
| Year ended 31 March 2022 | | | | | | |
| Loss for the year | | | | | (26) | (26) |
| Other recognised gains and losses for the year | | | | | (234) | (234) |
| Revaluation of property | | | | 67 | | 67 |
| Total recognised gains and losses for the year | | - | - | 67 | (260) | (193) |
| Balance at 31 March 2022 | | - | 1,631 | 4,585 | (3,971) | 2,245 |
| Year ended 31 March 2023 | | | | | | |
| Loss for the year | | | | | (33) | (33) |
| Other recognised gains and losses for the year | 17 | | | - | (188) | (188) |
| Revaluation of property | 10 | | | (43) | | (43) |
| Total recognised gains and losses for the year | | - | - | (43) | (221) | (264) |
| Balance at 31 March 2023 | | - | 1,631 | 4,542 | (4,192) | 1,981 |

The notes on pages 22 to 36 form part of these financial statements..

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | 2023 £'000 | 2023 £'000 | 2022 £'000 | 2022 £'000 |
|---|-------|---------------|-----------------------|---------------|-----------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 1 | 3,371 | | (7,535) | |
| Corporation tax paid | | <u>(3)</u> | | <u>-</u> | |
| Net cash inflow/(outflow) from operating activities | | | 3,368 | | (7,535) |
| Cash flows from investing activities | | | | | |
| Proceeds from sale of fixed assets | | 16 | | - | |
| Purchase of fixed assets | | <u>(781)</u> | | <u>(598)</u> | |
| Net cash used in investing activities | | | (765) | | (598) |
| Cash flows from financing activities | | | | | |
| Interest on borrowings | | <u>(272)</u> | | <u>(77)</u> | |
| Net cash used in financing activities | | | (272) | | (77) |
| Increase/(Decrease) in cash | 2 | | <u>2,331</u> | | <u>(8,210)</u> |
| Cash and cash equivalents at the beginning of the period | | | (4,803) | | 3,407 |
| Cash and cash equivalents at the end of the period | | | <u><u>(2,472)</u></u> | | <u><u>(4,803)</u></u> |

The notes on pages 22 to 36 form part of these financial statements.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

1 Reconciliation of operating profit to net cash inflow from operating activities

| | 2023 £'000 | 2022 £'000 |
|--|---------------|----------------|
| Operating profit | 946 | 871 |
| Depreciation | 223 | 187 |
| Amortisation | 406 | 539 |
| Profit on disposal of tangible fixed assets | (16) | - |
| Increase in debtors | (728) | (4,207) |
| Increase/(decrease) in creditors | 2,728 | (4,691) |
| Change in pension liability | (188) | (234) |
| Cash inflow/(outflow) generated from operations | <u>3,371</u> | <u>(7,535)</u> |

2 Reconciliation of net cash flow to movement in net debt (note 3)

| | 2023 £'000 | 2022 £'000 |
|--|----------------|----------------|
| Increase/(decrease) in cash in the year | 2,331 | (8,210) |
| Cash outflow from change in debt and lease financing | - | - |
| Change in net debt resulting from cash flows | <u>2,331</u> | <u>(8,210)</u> |
| Non-cash movements | - | - |
| Movement in net debt in the period | <u>2,331</u> | <u>(8,210)</u> |
| Net debt at 1 April 2022 | (4,803) | 3,407 |
| Net debt at 31 March 2023 | <u>(2,472)</u> | <u>(4,803)</u> |

3 Analysis of changes in net debt

| | At 1 April 2022 £'000 | Cash Flow £'000 | Non-cash movement £'000 | At 31 March 2023 £'000 |
|--------------------------|--------------------------------|-----------------------|-------------------------------|---------------------------------|
| Cash in hand and in bank | 4,463 | 905 | - | 5,368 |
| Overdrafts | (9,266) | 1,426 | - | (7,840) |
| | (4,803) | 2,331 | - | (2,472) |
| Debt due after one year | - | - | - | - |
| Total | <u>(4,803)</u> | <u>2,331</u> | <u>-</u> | <u>(2,472)</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies

Corps of Commissionaires Management Limited continues to provide security and facility services.

The company is domiciled and incorporated in England and Wales and is a private company limited by shares. The registered office is Market House, 85 Cowcross Street, London, EC1M 6PF and its company number is 01107779.

These financial statements have been prepared in accordance with United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

These financial statements are presented in sterling which is the functional currency of the entity. All figures in these statements are rounded to the nearest thousand pounds unless otherwise stated.

The principal accounting policies are summarised below and have been applied consistently throughout the year and the preceding year.

Accounting basis and standards

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards, modified to include the revaluation of freehold land and buildings.

Going concern

The group made a profit for the year of £674,000 (2022: £791,000) and the balance sheet net assets remain strong at £4,944,000 (2022: £4,434,000).

Cost efficiency and continuous improvement actions continue to be part of the business culture as we ensure that we continue to be fit for purpose in the current market and economic environment. The investment in the Corps Monitoring has increased the range and quality of services and will continue to improve the growth rate of this higher margin part of the business.

In August 2022, the Company agreed a two year extension to its Invoice Discounting arrangement with Leumi UK Group Ltd to run to a minimum period to September 2024. This structure continues to be the company's only debt facility to meet its working capital requirements and provides an effective and flexible approach to meet future business needs.

The directors have produced forecasts which reflect the impact of the above circumstances. They indicate that the group will have sufficient cash resources for at least 12 months from the date of approval of these accounts. On this basis, the directors consider it is appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The group profit and loss account and balance sheet consist of the financial statements of the parent company and its subsidiary undertakings drawn up to 31 March each year. Intra group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions.

Goodwill

Goodwill arising from the purchase of subsidiary undertakings represents the excess of the fair value of the purchase consideration over the fair value of the net assets acquired.

The goodwill arising on acquisitions is capitalised as an intangible asset. The goodwill is amortised on a straight line basis from the time of acquisition over its useful economic life. The economic life is normally presumed to be a maximum of 10 years. Impairment reviews are performed to ensure the carrying value of the goodwill is fairly presented and provision made as required.

If an undertaking is subsequently divested, the appropriate unamortised goodwill is dealt with through the profit and loss account in the period of disposal as part of the gain or loss on divestment.

Turnover

Turnover represents manned guarding and support services. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and turnover can be reliably measured. Turnover is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies (continued)

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation on intangible assets is provided at rates estimated to write off the cost or revalued amount, less estimated residual value, of each asset over its useful life as follows:

| | |
|----------|------------------------|
| Goodwill | 10% straight line |
| Software | 10 - 33% straight line |

Tangible assets

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

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of each asset over its expected useful life as follows:

| | |
|----------------------------------|------------------------|
| Freehold land | Nil |
| Freehold buildings | 2% straight line |
| Furniture, fixtures and fittings | 10 - 20% straight line |
| Computer equipment | 10 - 33% straight line |
| Office equipment | 20 - 33% straight line |
| Motor vehicles | 25% straight line |

Depreciation is not provided on assets in the course of construction until the asset is brought into use.

Investments

Fixed asset investments are stated at cost less provision for any impairment. The investments are assessed for impairment at each reporting date and any impairment losses are recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents 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.

Financial instruments

Basic financial instruments are measured at amortised cost. The company has no other financial instruments or basic financial instruments measured at fair value.

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.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Leasing commitments

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting Policies (continued)

Pension costs

In accordance with Section 28 of FRS 102, the operating and financing costs of defined benefit schemes are recognised separately in the Profit and Loss Account. Service costs are systematically spread over the service life of the employees and financing costs are recognised in the period in which they arise. The costs of past service benefits, enhancements, settlements and curtailments are also recognised in the period they arise.

The difference between actual and expected returns during the year, including changes in actuarial assumptions is recognised in the statement of total recognised gains and losses. A pension scheme surplus will only be recognised where the company has unconditional right to its refund.

For the defined contribution scheme the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year.

Foreign currency

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.

Government grants

No grants were received in the year.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received, in other operating income. The grants did not specify any performance conditions and have been recognised in income when the proceeds are received or receivable.

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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimate these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 17 for the disclosures relating to the defined benefit pension scheme.

Valuation of Market House

The group uses the valuations performed by its independent valuers as the fair value of its property. The valuation is based upon the key assumptions of estimated rental values and market based yields. With regard to redevelopments and refurbishments, future development costs and an appropriate discount rate are also used. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

Details of the valuation methodology and key assumptions are given in note 10.

In the absence of current prices in an active market for similar properties, the group considers information from a variety of sources, including:

- a. current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- b. recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- c. discounted cash flow projections based on reliable estimates of future cash flows and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Further details, including the carrying values and key assumptions used for the fair value measurement, are given in note 10 to the financial statements.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

| | | |
|--|-----------------------|----------------------|
| 3 Turnover | 2023 | 2022 |
| | £'000 | £'000 |
| Geographical analysis: | | |
| United Kingdom and Republic of Ireland - rendering of services | <u>103,301</u> | <u>86,854</u> |
| | <u><u>103,301</u></u> | <u><u>86,854</u></u> |

Turnover is attributable to the one principal activity of the group.

| | | |
|--|---------------------|---------------------|
| 4 Staff Costs | 2023 | 2022 |
| | No | No |
| The average monthly number of persons employed by the group (including directors) during the year was: | | |
| Permanent staff | 166 | 153 |
| Contract employees | 2,436 | 2,160 |
| Temporary employees | <u>1,034</u> | <u>915</u> |
| | <u><u>3,636</u></u> | <u><u>3,228</u></u> |

Their total remuneration was:

| | | |
|-----------------------|----------------------|----------------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Wages and salaries | 80,578 | 68,188 |
| Social security costs | 7,564 | 6,003 |
| Other pension costs | <u>1,747</u> | <u>1,456</u> |
| | <u><u>89,889</u></u> | <u><u>75,647</u></u> |

There are five people who are key management personnel who are all directors and were remunerated as set out in note 5 (i) below.

| | | |
|--|-------------------|-------------------|
| 5 Directors' Emoluments | 2023 | 2022 |
| | £'000 | £'000 |
| (i) Remuneration | | |
| Emoluments | 565 | 524 |
| Company contributions to money purchase pension scheme | <u>38</u> | <u>36</u> |
| | <u><u>603</u></u> | <u><u>560</u></u> |

(ii) Highest paid director

The above amounts for remuneration include the following in respect of the highest paid director:

| | | |
|--|-------------------|-------------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Emoluments | 288 | 273 |
| Company contributions to money purchase pension scheme | <u>22</u> | <u>21</u> |
| | <u><u>310</u></u> | <u><u>294</u></u> |

(iii) Pension contributions

The number of directors in pension schemes was as follows:

| | | |
|-----------------------|-----------------|-----------------|
| | 2023 | 2022 |
| Money purchase scheme | <u><u>2</u></u> | <u><u>2</u></u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

| | | | |
|--|-----------------------|--------------|--------------|
| 6 Operating profit | | 2023 | 2022 |
| | | £'000 | £'000 |
| The operating profit is stated after charging: | | | |
| Auditors' remuneration for audit services | | 60 | 50 |
| Depreciation of owned tangible fixed assets | | 223 | 187 |
| Amortisation of intangible assets | | 406 | 539 |
| Operating lease rentals | - Plant and machinery | 63 | 65 |
| | - Land and buildings | 140 | 136 |
| | | <u>140</u> | <u>136</u> |

There were no exceptional items in the year.

| | | | |
|---|--|--------------|--------------|
| 7 Interest Payable and Similar Charges | | 2023 | 2022 |
| | | £'000 | £'000 |
| Bank loans and overdrafts | | <u>272</u> | <u>77</u> |

| | | | |
|---|--|--------------|--------------|
| 8 Taxation | | 2023 | 2022 |
| | | £'000 | £'000 |
| a) Charge for the year | | | |
| UK Corporation tax charge on result for the period | | - | 3 |
| Overseas Corporation tax charge on profits for the period | | - | - |
| | | <u>-</u> | <u>3</u> |
| UK Corporation tax | | - | - |
| Deferred tax (credit)/charge (charged to equity) | | <u>(10)</u> | <u>132</u> |
| Tax charge | | <u>(10)</u> | <u>135</u> |

b) Factors affecting the tax charge for the year

The tax charge for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

| | | | |
|---|--|--------------|--------------|
| | | 2023 | 2022 |
| | | £'000 | £'000 |
| Profit on ordinary activities | | <u>674</u> | <u>794</u> |
| Tax on profit in the year at 19% (2022 - 19%) | | 128 | 151 |
| <i>Effects of:</i> | | | |
| Non deductible/(deductible) expenses | | 21 | (5) |
| Capital allowances in excess of depreciation | | (54) | (22) |
| Disposal of fixed assets | | - | - |
| Carried forward losses | | - | - |
| Relief for brought forward losses | | <u>(95)</u> | <u>(121)</u> |
| Current tax charge for the period | | <u>-</u> | <u>3</u> |

(c) Factors that may affect future tax charges

The group has tax losses of approximately £7,000,000 (2022: £7,500,000) available for use against future trading profits.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

9 Intangible Fixed Assets - Group

| | Goodwill £'000 | Software £'000 | Total £'000 |
|--------------------------|-------------------|-------------------|----------------|
| Cost or Valuation | | | |
| At 1 April 2022 | 102 | 2,988 | 3,090 |
| Additions | - | 373 | 373 |
| Disposals | - | (1,355) | (1,355) |
| At 31 March 2023 | <u>102</u> | <u>2,006</u> | <u>2,108</u> |
| Amortisation | | | |
| At 1 April 2022 | 102 | 2,153 | 2,255 |
| Charge for the year | - | 406 | 406 |
| Transfers | - | 80 | 80 |
| Disposals | - | (1,355) | (1,355) |
| At 31 March 2023 | <u>102</u> | <u>1,284</u> | <u>1,386</u> |
| Net Book Value | | | |
| At 31 March 2023 | <u>-</u> | <u>722</u> | <u>722</u> |
| At 31 March 2022 | <u>=</u> | <u>835</u> | <u>835</u> |

The £102,000 of goodwill relates to the acquisition of monitoring contracts from Amba Defence Control Limited, on 31 May 2017.

The software additions in the year includes £124k purchased from external sources.

Intangible Fixed Assets - Company

| | Software £'000 | Total £'000 |
|--------------------------|-------------------|----------------|
| Cost or Valuation | | |
| At 1 April 2022 | 68 | 68 |
| Additions | - | - |
| Disposals | - | - |
| At 31 March 2023 | <u>68</u> | <u>68</u> |
| Amortisation | | |
| At 1 April 2022 | 12 | 12 |
| Charge for the year | 14 | 14 |
| Disposals | - | - |
| At 31 March 2023 | <u>26</u> | <u>26</u> |
| Net Book Value | | |
| At 31 March 2023 | <u>42</u> | <u>42</u> |
| At 31 March 2022 | <u>56</u> | <u>56</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

10 Tangible Assets - Group

| Cost or Valuation | Freehold Land and Buildings £'000 | Office Equipment, Furniture, Fixtures and Fittings £'000 | Motor Vehicles £'000 | Total £'000 |
|--------------------------|--|---|-------------------------------------|------------------------|
| At 1 April 2022 | 7,395 | 1,471 | 242 | 9,108 |
| Additions | 102 | 144 | 162 | 408 |
| Revaluation | (52) | - | - | (52) |
| Disposals | - | (0) | (65) | (65) |
| At 31 March 2023 | <u>7,445</u> | <u>1,615</u> | <u>339</u> | <u>9,399</u> |
| Depreciation | | | | |
| At 1 April 2022 | 49 | 1,388 | 178 | 1,615 |
| Charge for the year | 67 | 108 | 48 | 223 |
| Revaluation | (66) | - | - | (66) |
| Transfers | (30) | (50) | - | (80) |
| Disposals | - | - | (65) | (65) |
| At 31 March 2023 | <u>20</u> | <u>1,446</u> | <u>161</u> | <u>1,627</u> |
| Net Book Value | | | | |
| At 31 March 2023 | <u>7,425</u> | <u>169</u> | <u>178</u> | <u>7,772</u> |
| At 31 March 2022 | <u>7,346</u> | <u>83</u> | <u>64</u> | <u>7,493</u> |

Freehold land and buildings includes freehold land of £3,680,000 (2022: £3,680,000) which is not depreciated.

Tangible Assets - Company

| Cost or Valuation | Freehold Land and Buildings £'000 | Office Equipment, Furniture, Fixtures and Fittings £'000 | Total £'000 |
|--------------------------|--|---|------------------------|
| At 1 April 2022 | 6,150 | 4 | 6,154 |
| Additions | 102 | - | 102 |
| Revaluation | (102) | - | (102) |
| Disposals | - | - | - |
| At 31 March 2023 | <u>6,150</u> | <u>4</u> | <u>6,154</u> |
| Depreciation | | | |
| At 1 April 2022 | - | - | - |
| Charge for the year | 49 | - | 49 |
| Revaluation | (49) | - | (49) |
| Disposals | - | - | - |
| At 31 March 2023 | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Book Value | | | |
| At 31 March 2023 | <u>6,150</u> | <u>4</u> | <u>6,154</u> |
| At 31 March 2022 | <u>6,150</u> | <u>4</u> | <u>6,154</u> |

Freehold land and buildings includes freehold land of £3,500,000 (2022: £3,500,000) which is not depreciated.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

10 Tangible Assets - Company

The group's freehold properties were revalued at the balance sheet date. The valuation of the parent company's London headquarters was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom by Aston Rose, a firm of independent Chartered Surveyors on the basis of existing use value.

The subsidiary undertaking's Remote Monitoring Centre's freehold premises were valued by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors, at 30 September 2022. The valuation was prepared in accordance with the requirements of the RICS Valuation Standards 2014 and UK GAAP. The valuation of this asset was on the basis of Existing Use Value assuming that the property would be sold with vacant possession, determined using the Depreciated Replacement Cost method given the specialised nature of the property. The directors consider the replacement cost of the property to be unchanged at 31 March 2023.

These valuations have been incorporated into the financial statements; the resulting revaluation adjustments have been taken to the revaluation reserve. The revaluation during the year ended 31 March 2023 resulted in a cumulative revaluation surplus of £4.949m for the group and £4.542m for the company.

Deferred tax provided on timing differences arising on the revaluation of fixed assets is detailed in note 16.

If the revalued assets were stated on a historical cost basis, the amounts would be as follows:

| | Group | | Company | |
|---|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| At cost | 3,543 | 3,543 | 2,327 | 2,327 |
| Aggregate depreciation | (1,448) | (1,410) | (1,053) | (1,034) |
| Net book value based on historical cost | <u>2,095</u> | <u>2,133</u> | <u>1,274</u> | <u>1,293</u> |

11 Investments

| | Group | | Company | |
|-------------------------------|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| (a) Investment Summary | | | | |
| Shares in group undertakings | - | - | 700 | 700 |
| Loans to group undertakings | - | - | 25 | 25 |
| | <u>-</u> | <u>-</u> | <u>725</u> | <u>725</u> |

(b) Company

| | Subsidiary Undertakings (see (c) below) | |
|-----------------------|---|----------------|
| | £'000 | Total £'000 |
| Cost | | |
| At 1 April 2022 | 725 | 725 |
| Additions | - | - |
| Disposals | - | - |
| At 31 March 2023 | <u>725</u> | <u>725</u> |
| Net Book Value | | |
| At 31 March 2023 | <u>725</u> | <u>725</u> |
| At 31 March 2022 | <u>725</u> | <u>725</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)

11 Investments (continued)

(c) Details of group undertakings:

The following details relate to the company's subsidiary undertakings:

| Name | Location | Shares Held | Percentage of Shares Held Directly | Activity |
|--|-----------------|-------------------------------|------------------------------------|-------------------------|
| Corps Monitoring Limited (Registered office address: 8 Marchburn Drive, Glasgow Airport, Paisley, PA3 2SJ) | Scotland | 699,001 Ordinary £1 shares | 100% | Security and Consulting |
| Corps Security (UK) Limited (Registered office address: Market House, 85 Cowcross Street, London, EC1M 6PF) | England & Wales | 2 Ordinary £1 shares | 100% | Security services |
| Corps Security Ireland Limited (Registered office address: Gateway House, 133 Capel Street, Dublin 1, Eire) | Eire | 2 Ordinary 1 Euro shares | 100% | Dormant |
| OFM Support Limited (Registered office address: Market House, 85 Cowcross Street, London, EC1M 6PF) | England & Wales | 100 Ordinary £1 shares | 100% | Dormant |

12 Financial Instruments

| | Group | | Company | |
|---|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Carrying amount of financial assets | | | | |
| Debt instruments measured at amortised cost | <u>16,228</u> | <u>15,848</u> | <u>1,844</u> | <u>-</u> |
| | | | | |
| | Group | | Company | |
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Carrying amount of financial liabilities | | | | |
| Measured at amortised cost | <u>17,931</u> | <u>18,751</u> | <u>6,340</u> | <u>5,742</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

13 Debtors

| | Group | | Company | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Trade debtors | 12,983 | 13,004 | - | - |
| Amounts owed by group undertakings | | | 1,844 | 1,508 |
| Other debtors | 46 | 54 | - | - |
| Prepayments and accrued income | 4,331 | 3,574 | - | - |
| | <u>17,360</u> | <u>16,632</u> | <u>1,844</u> | <u>1,508</u> |

14 Creditors: Amounts falling due within one year

| | Group | | Company | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Bank overdraft | 7,840 | 9,266 | - | - |
| Amounts owed to group undertakings | | | 6,248 | 5,684 |
| Trade creditors | 986 | 1,060 | - | - |
| Social security and other taxes | 7,603 | 5,398 | 18 | 19 |
| Corporation tax | 4 | 7 | 4 | 4 |
| Other creditors | 763 | 581 | 8 | 8 |
| Accruals and deferred income | 8,659 | 8,244 | 84 | 50 |
| | <u>25,855</u> | <u>24,556</u> | <u>6,362</u> | <u>5,765</u> |

The bank overdraft is secured by a legal charge over the freehold land and buildings and a mortgage debenture over the assets of the group.

15 Deferred tax

The provided deferred tax liability comprises:

| | Group | | Company | |
|--------------------------|---------------|---------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Other timing differences | 423 | 433 | 423 | 433 |

The unprovided deferred tax liability/(asset) comprises

| | Group | | Company | |
|--------------------------------|----------------|----------------|---------------|---------------|
| | 2023 £'000 | 2022 £'000 | 2023 £'000 | 2022 £'000 |
| Accelerated capital allowances | 182 | 134 | 3 | 5 |
| Losses | (1,595) | (1,720) | (110) | (112) |
| Other timing differences | - | - | - | - |
| | <u>(1,413)</u> | <u>(1,586)</u> | <u>(107)</u> | <u>(107)</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

| | | |
|---|-------------|-------------|
| 16 Shareholders' Funds | 2023 | 2022 |
| | £ | £ |
| (a) Company share capital | | |
| The authorised share capital comprises: | | |
| Authorised: | | |
| 200 ordinary shares of £1 each | <u>200</u> | <u>200</u> |
| Called up, allotted and fully paid: | | |
| 200 ordinary shares of £1 each | <u>200</u> | <u>200</u> |

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

(b) Company

The parent undertaking has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these Accounts.

A loss of £33,000 (2022: Loss - £26,000) after taxation for the financial year is dealt with in the accounts of the parent undertaking.

17 Future Financial Commitments

(a) Operating leases

At the reporting end date, both the group and company had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:-

| | 2023 | | | | 2022 | | | |
|--------------------------------|--------------------------------|-------------------|-----------------------------|----------------|--------------------------------|-------------------|-----------------------------|----------------|
| | Land and Buildings £'000 | Vehicles £'000 | Other Equipment £'000 | Total £'000 | Land and Buildings £'000 | Vehicles £'000 | Other Equipment £'000 | Total £'000 |
| Operating leases which expire: | | | | | | | | |
| within one year | 105 | 41 | 15 | 161 | 99 | 66 | 19 | 184 |
| in the second to fifth year | 282 | 14 | 0 | 296 | 204 | 48 | 0 | 252 |
| after five years | 0 | 0 | 0 | 0 | 24 | 0 | 0 | 24 |
| | <u>387</u> | <u>55</u> | <u>15</u> | <u>457</u> | <u>327</u> | <u>114</u> | <u>19</u> | <u>460</u> |

Included in the above figures are various leases which are cancellable upon payment of a cancellation fee. As the group and company have no intention of cancelling these leases, the full probable obligation is shown above.

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

17 Future Financial Commitments (Continued)

(b) Pensions

(i) Defined benefit scheme

The group operates the Corps of Commissionaires Retirement Benefits Scheme, funded under a separate trust. This scheme was a defined benefit scheme until April 2001, from which date benefit accrual under the defined benefit section of the scheme ceased and a separate defined contribution section commenced.

The contributions towards pension liabilities are determined by an independent qualified actuary on the basis of triennial valuations using the defined accrued benefit method.

Over the year, Company contributions of £188,416 (2022: £233,962) were paid to the defined benefit section of the scheme.

| | 2023 | 2022 |
|--|--------------|--------------|
| | £'000 | £'000 |
| The amounts recognised in the profit and loss account are as follows: | | |
| Current service cost | - | - |
| Interest cost | (131) | (105) |
| Expected return on assets | 131 | 105 |
| Pension expense before special events | <u>-</u> | <u>-</u> |
| Cost of curtailments | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>-</u> |
| Split between: | | |
| Charged to operating profit - staff costs | - | - |
| Credited to other finance income | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>-</u> |

The actual loss on plan assets for the year was £1,817,000 (2022: £42,000 loss).

| | 2023 | 2022 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Statement of other comprehensive income (SOI): | | |
| Actuarial loss arising during the year | <u>(188)</u> | <u>(234)</u> |
| Total loss recognised via SOI during the year | <u>(188)</u> | <u>(234)</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

17 Future Financial Commitments (Continued)

(b) Pensions (Continued)

(i) Defined benefit scheme (continued)

| | 2023 % | 2022 % |
|---|-----------|-----------|
| The principal assumptions for the defined benefit plan used by the actuary were: | | |
| Future salary increases | 4.80 | 2.70 |
| Future revaluation of pensions in deferment (CPI) | 2.65 | 3.00 |
| Future pension increases (RPI max 5%) | 3.15 | 3.60 |

Significant demographic assumptions

Mortality - current pensioners

| | | |
|--|--|--|
| | 123% males / 111% females of S2NA CMI 2021 with 1.25% long-term trend, smoothing factor of 7 with w2020 and w2021 weightings of 10% | 123% males / 111% females of S2NA CMI 2021 with 1.25% long-term trend, smoothing factor of 7 with w2020 and w2021 weightings of 10% |
| Actuarial tables used | | |
| Male life expectancy at age 60 (years from 60) | 24.40 | 24.40 |

Mortality - future pensioners currently aged 40

| | | |
|--|--|--|
| | 123% males / 111% females of S2NA CMI 2021 with 1.25% long-term trend, smoothing factor of 7 with w2020 and w2021 weightings of 10% | 123% males / 111% females of S2NA CMI 2021 with 1.25% long-term trend, smoothing factor of 7 with w2020 and w2021 weightings of 10% |
| Actuarial tables used | | |
| Male life expectancy at age 60 (years from 60) | 26.00 | 25.90 |

The overall expected rate of return on assets is determined as the average of the expected return of each major asset, weighted by the assets allocated to each class.

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Development of the net balance sheet position | | |
| Actuarial value of plan liabilities | (3,678) | (4,918) |
| Fair value of assets | 3,692 | 5,469 |
| Surplus | 14 | 551 |
| Impact of asset ceiling | (14) | (551) |
| Pension liability recognised in the balance sheet | - | - |

The company's accounting policy does not allow for a surplus to be shown.

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Reconciliation to the balance sheet: | | |
| Net pension liability at 1 April 2022 | - | - |
| Disclosed pension income/(expense) for year | - | - |
| Employer contributions | 188 | 234 |
| Loss recognised via the SOCI | (188) | (234) |
| Net pension liability at 31 March 2023 before deferred tax | - | - |
| Related deferred tax liability | - | - |
| Net pension liability at 31 March 2023 before deferred tax | - | - |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

17 Future Financial Commitments (Continued)

(b) Pensions (Continued)

(i) Defined benefit scheme (continued)

| | £'000 | |
|---|--------------|--------------|
| Expected contributions for the year ended 31 March 2024: | | |
| Employer | | <u>168</u> |
| | 2023 | 2022 |
| | £'000 | £'000 |
| Plan asset information: | | |
| Equity Securities | - | - |
| Debt Securities | 1,376 | 1,531 |
| Dynamic diversified fund | 796 | 2,352 |
| Liability Driven Investment | 1,405 | 1,477 |
| Cash and other | <u>115</u> | <u>109</u> |
| Fair Value of Assets | <u>3,692</u> | <u>5,469</u> |

There were no amounts included in the fair value of scheme assets for the company's own financial instruments, nor for property occupied by, or other assets used by, the company.

| | 2023 | 2022 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Change in plan liabilities: | | |
| Plan liabilities at 1 April 2022 | 4,918 | 5,376 |
| Current service cost | - | - |
| Interest cost | 131 | 105 |
| Actuarial gain on financial assumptions | (1,459) | (312) |
| Experience loss/(gain) | 236 | (27) |
| Benefits paid from plan assets | <u>(148)</u> | <u>(224)</u> |
| Plan liabilities at 31 March 2023 | <u>3,678</u> | <u>4,918</u> |
| | 2023 | 2022 |
| | £'000 | £'000 |
| Change in plan assets: | | |
| Fair value of assets at 1 April 2022 | 5,469 | 5,501 |
| Interest income | 148 | 110 |
| Return on scheme assets excluding interest income | (1,965) | (152) |
| Scheme administration expenses | - | - |
| Employer contributions | 188 | 234 |
| Benefits paid | <u>(148)</u> | <u>(224)</u> |
| Fair value of assets at 31 March 2023 | <u>3,692</u> | <u>5,469</u> |

CORPS OF COMMISSIONAIRES MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

17 Future Financial Commitments (Continued)

(b) Pensions (Continued)

(ii) Defined contribution scheme

The group also participates in a defined contribution scheme. The amount to be charged to the profit and loss account in respect of this scheme represents contributions payable in respect of the accounting period. The pension cost for this scheme was £311,000 (2022: £240,000). Contributions amounting to £30,000 (2022: £22,000), payable to the scheme at the year end is included within other creditors.

Assets of the schemes are held separately from those of the Group.

18 Related Party Transactions

There were no related party transactions in the year.

19 Controlling Party

The ultimate controlling party is The Corps of Commissionaires Trust by virtue of its 100% shareholding. The Corps of Commissionaires Trust does not prepare consolidated accounts.