

Company Registration No. 482966

REALTY INSURANCES LIMITED

Report and Financial Statements

31 March 2013

THURSDAY



A2DV34DE

A06

01/08/2013

#85

COMPANIES HOUSE

REALTY INSURANCES LIMITED

REPORT AND FINANCIAL STATEMENTS

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

REALTY INSURANCES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J O Hagger	Chairman
G A E Salmon	Managing Director
L Hackett	
E Halford	
O H C Morton	
G Clarke	
M H Lamb	(Resigned 15 May 2013)
P L Doyle	
R P Elliott	(Appointed 15 May 2013)

SECRETARY

O H C Morton

REGISTERED OFFICE

58 Davies Street
London
W1K 5JF

BANKERS

HSBC Bank plc
47 Eastgate Street
Chester
CH1 1XW

SOLICITORS

Boodle Hatfield
89 New Bond Street
London
W1S 1DA

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

REALTY INSURANCES LIMITED

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 March 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activities during the year were those of insurance intermediary and insurance advisers. The company was authorised and regulated by the Financial Services Authority (the Financial Conduct Authority since 1 April 2013) throughout the year.

The company has achieved a satisfactory level of earnings for the year as a result of turnover increasing by £120,000 or 3% as detailed on page 6. The balance sheet on page 7 shows the company's financial position at the year end in terms of net assets.

RESULTS AND DIVIDENDS

The results of the company for the year are shown on page 6. Profit on ordinary activities before taxation was £1,566,000 (2012 - £1,531,000).

During the year the company paid a dividend of £1,531,000, £15.31 per share (2012 - £1,443,000, £14.43 per share) on the ordinary shares to its parent company, Deva Group Limited, a wholly-owned subsidiary of Wheatsheaf Investments Limited (see note 17).

FUTURE PROSPECTS

The Directors are satisfied with the results for the year and remain confident about the year ahead.

GOING CONCERN

To consider whether it is appropriate to prepare the financial statements on a going concern basis, the Directors have reviewed the budget for the forthcoming financial year together with the three year financial plan. In addition the Directors have noted that share capital and reserves amount to £2,464,000 (2012 - £2,429,000). Accordingly the Directors have a reasonable expectation that the company has adequate resources (including capital and cash) to continue in operational existence for the foreseeable future and so continue to adopt the going concern basis in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the implementation of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are highlighted below:

- **Credit risk**

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where the company is exposed to credit risk are amounts due from clients and insurers in respect of premiums already paid (funding), cash and investment holdings.

The company monitors its exposure to single counterparties and to connected counterparties and ensures that its cash and investment holdings are kept with a number of different counterparties with appropriate credit ratings.

- **Liquidity and cash flow risk**

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when they fall due. The company has put in place appropriate financial and cash flow management structures so that it is able to anticipate demand for cash and meet obligations as they arise. The company operates in a high cash flow business and the controls in place to ensure that premiums and brokerage are paid by clients on time also help to ensure that the company has appropriate cash resource to meet its obligations at any point in time.

REALTY INSURANCES LIMITED

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- Regulatory risk

The company operates within a regulated environment and regulatory risk is the risk that the company fails to comply with any of the regulatory requirements laid down by the Financial Conduct Authority (previously the Financial Services Authority). The supervision which forms the basis of the relationship with the Financial Conduct Authority consists of regulatory reports submitted twice a year and the company has implemented procedures in order to ensure that these reports are prepared and submitted in advance of any deadlines.

As insurance intermediaries and advisers, the company is also bound by a set of rules and principles which are designed to protect the consumer, particularly in relation to the handling of client money, and the company has implemented various controls and procedures in order to mitigate the risk of non-compliance with these rules. The company is very active in keeping up to date with any changes in the regulatory requirements and where possible it seeks to adhere to best practice as recommended by the Financial Conduct Authority. The company does not expect this risk to change significantly when the new client money rules are implemented by the Financial Conduct Authority in 2014.

DIRECTORS

The Directors of the company who served during the year were

J O Hagger	Chairman
G A E Salmon	Managing Director
L Hackett	
E Halford	
O H C Morton	
G Clarke	
M H Lamb	
P L Doyle	

AUDITOR

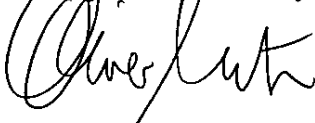
Each of the persons who is a Director at the date of approval of this report confirms that

- (a) in so far as the Director is aware, there is no relevant audit information of which the auditor is unaware, and
- (b) the Director has taken all reasonable steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on its behalf by



O H C Morton
Secretary
18 July 2013

REALTY INSURANCES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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, and
- prepare the financial statements on a 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALTY INSURANCES LIMITED

We have audited the financial statements of Realty Insurances Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

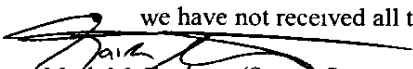
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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


Mark McIlquham (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
18 July 2013

REALTY INSURANCES LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2013

	Notes	2013 £'000	2012 £'000
TURNOVER	1, 2	3,718	3,598
Cost of Sales		(123)	(135)
GROSS PROFIT		<u>3,595</u>	<u>3,463</u>
Administrative expenses		<u>(2,053)</u>	<u>(1,961)</u>
OPERATING PROFIT	3	1,542	1,502
Interest receivable	7	<u>24</u>	<u>29</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,566	1,531
Tax charge on profit on ordinary activities	8	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>1,566</u>	<u>1,531</u>

All activities derive from continuing operations

There are no recognised gains or losses in the current year or preceding year other than those in the profit and loss account and as such no separate statement of recognised gains and losses is presented.

REALTY INSURANCES LIMITED

BALANCE SHEET At 31 March 2013

	Notes	2013		2012	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	10		19		22
CURRENT ASSETS					
Debtors due within one year	11	6,256		5,643	
Cash at bank and in hand	12	<u>2,138</u>		<u>2,088</u>	
		8,394		7,731	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>(5,949)</u>		<u>(5,324)</u>	
NET CURRENT ASSETS			2,445		2,407
NET ASSETS			<u>2,464</u>		<u>2,429</u>
CAPITAL AND RESERVES					
Called up share capital	14		100		100
Profit and loss account	15		<u>2,364</u>		<u>2,329</u>
SHAREHOLDERS' FUNDS	16		<u>2,464</u>		<u>2,429</u>

These financial statements of Realty Insurances Limited, company registration number 482966, were approved by the Board of Directors on 18 July 2013

Signed on behalf of the Board of Directors



G A E Salmon

Director



J O Hagger

Director

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The particular accounting policies are described below. They have been applied consistently throughout the current year and previous year.

Accounting convention

The financial statements are prepared under the historical cost convention and on a going concern basis.

Going concern

To consider whether it is appropriate to prepare the financial statements on a going concern basis, the Directors have reviewed the budget for the forthcoming financial year together with the three year financial plan. In addition, the directors have noted that the share capital and reserves amount to £2,464,000 (2012 - £2,429,000). Accordingly, the Directors have a reasonable expectation that the company has adequate resources (capital and cash) to continue in operational existence for the foreseeable future so continue to adopt the going concern basis in preparing the financial statements.

Turnover

Commissions and fees are recognised in the accounting period in which services are provided. In accordance with Application Note G to FRS 5, the company defers a percentage of revenue to reflect post placement obligations.

Tangible fixed assets

Fixed assets, which comprise office equipment and office refurbishment costs, are depreciated on a straight-line basis so as to spread their cost, less estimated residual value, over their expected useful lives at a rate of 25% per annum for office equipment and 33% per annum for office refurbishment costs.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Surrender of tax losses between Wheatheaf group companies, by means of group relief, is done so for no consideration.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of these assets. Deferred tax is not provided on unremitted earnings where there is no binding commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Pension costs

The defined benefit pension scheme (Grosvenor Pension Plan) operated by the company is a multi-employer scheme and the company's share of the underlying assets and liabilities cannot be identified. FRS 17 'Retirement Benefits' requires that the scheme is accounted for in the same way as a defined contribution scheme.

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

1. ACCOUNTING POLICIES (continued)

Pension costs (continued)

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either in accruals or prepayments in the balance sheet.

Leased assets

Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

Assets held under finance leases are capitalised at their fair value on the inception of the leases and depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding and are charged to the profit and loss account.

Cash flow statement

A cash flow statement has not been produced as the company is a wholly-owned subsidiary of Wheatsheaf Investments Limited, which itself produces a consolidated cash flow statement.

2. SEGMENTAL INFORMATION

Turnover and profit before taxation are generated from insurance broking and advisory activities in the United Kingdom.

3. OPERATING PROFIT

	2013 £'000	2012 £'000
Operating profit is stated after charging		
Operating lease payments – land and buildings	110	109
Depreciation - owned assets	6	12
- leased assets	2	2
Auditor's remuneration – audit of the company's annual accounts	18	18
Auditor's remuneration – in relation to other services pursuant to legislation	5	4

There were no other non-audit services provided by the company's auditor in the current or prior period.

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

4. INFORMATION REGARDING EMPLOYEES

	2013 £'000	2012 £'000
Employee costs during the year including directors		
Wages and salaries	1,134	1,097
Social security costs	142	133
Other pension costs (note 6)		
Defined contribution	10	8
Defined benefit	268	272
	<u>1,554</u>	<u>1,510</u>

The average number of persons employed during the year was sixteen (2012 - seventeen). Of these ten (2012 - eleven) are involved in administration, four (2012 - four) in management and two (2012 - two) in a non-executive role.

5. DIRECTORS' REMUNERATION

Directors' emoluments	2013 Total £'000	2013 Highest paid director £'000	2012 Total £'000	2012 Highest paid director £'000
Fees	667	367	608	366
Other emoluments	35	15	34	16
Pension costs	5	-	2	-
	<u>707</u>	<u>382</u>	<u>644</u>	<u>382</u>

Retirement benefits are accruing to four Directors (2012 - three) under the defined benefit pension scheme described in note 6. The total annual accrued pension under the defined benefit pension scheme for the highest paid Director was £49,000 (2012 - £44,000). The highest paid Director elected to restrict the contribution made to the defined benefit pension scheme in the year and opted to take a salary supplement in lieu of this restriction.

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

6. PENSION SCHEMES

Realty Insurances Limited does not maintain a separate pension scheme. Its employees are members of the Grosvenor Pension Plan (the 'Plan'), a defined benefit scheme, and a separate stakeholder defined contribution scheme. Both schemes are administered by independent trustees.

The Plan is open to all staff of the company, the WheatSheaf Investments Group, the Grosvenor Rural Estates and the UK subsidiaries of Grosvenor Group Limited. It provides a defined benefit pension up to an upper earnings limit. Above this limit the group contributes between 25% and 30% of that tranche of salary into a stakeholder arrangement.

Independent qualified actuaries complete valuations of the Plan at least every three years and contributions are paid to the Plan in line with a Schedule of Contributions agreed between the trustees of the Plan and the Group. The most recent full actuarial valuation was carried out at 31 December 2011, the results of which have been taken into account in the FRS 17 analysis below.

Although the Plan is a defined benefit scheme, it is a multi employer scheme and the company's share of the underlying assets and liabilities cannot be identified. As a result FRS 17 requires that the Plan is accounted for as if it were a defined contribution scheme. Actuarial valuations for the Plan as a whole have been updated to 31 December 2011 by an independent qualified actuary, in accordance with the basis set out in FRS 17, and included below is an analysis of the deficit indicated by that valuation together with the major assumptions used by the actuary.

The following analysis relates to the whole of the Grosvenor Pension Plan including that element that relates to non-company employees.

	31 Dec 2012		31 Dec 2011		31 Dec 2010
	£m		£m		£m
Pension scheme deficit before tax	(10.5)		(13.7)		(19.6)
Assets in scheme and the expected rates of return					
	31 Dec 2012 Value £m	31 Dec 2012 Long-term rate of expected return	31 Dec 2011 Value £m	31 Dec 2011 Long-term rate of expected return	31 Dec 2010 Value £m
Equities	138.9	6.7%	122.0	6.8%	115.1
Gilts	33.8	3.8%	31.8	3.7%	29.8
Other	2.4	3.0%	2.3	3.0%	1.8
	175.1		156.1		146.7
Present value of scheme liabilities	(185.6)		(169.8)		(166.3)
Pension Scheme deficit before tax	(10.5)		(13.7)		(19.6)
Related deferred tax asset at 23%	2.4		3.4		5.5
Deficit in scheme	(8.1)		(10.3)		(14.1)

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

6. PENSION SCHEMES (continued)

Major assumptions used by the actuary were:

	31 Dec 2012	31 Dec 2011	31 Dec 2010
Rate of increase in salaries	4.7%	4.3%-5.3%	4.5-7.5%
Rate of increase in pensions payment	3.2%	3.3%	3.5%
Discount rate	4.5%	4.8%	5.4%
Inflation	3.2%	3.3%	3.5%

The Plan pension cost charge to the company amounted to £268,000 (2012 - £272,000)

The company's contributions to the defined contribution scheme for the year were £10,000 (2012 - £8,000)

7. INTEREST RECEIVABLE

	2013 £'000	2012 £'000
Interest on loans to group undertakings	17	13
Interest received on deposits	7	16
	<u>24</u>	<u>29</u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2013 £'000	2012 £'000
Analysis of tax charge on current activities		
United Kingdom corporation tax at 24% (2012 - 26%) based on profit for the year	-	-
Deferred taxation	-	-
	<u>-</u>	<u>-</u>

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 24% (2012 - 26%) The current tax for the year differs from the standard rate for the reasons set out in the following reconciliation

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	1,566	1,531
	£'000	£'000
Tax charge on profit on ordinary activities at standard rate	376	398
Factors affecting the charge		
Expenses not deductible for tax purposes	1	1
Depreciation for the year in excess of capital allowances	-	1
Other short-term timing differences	28	31
Group relief received for nil consideration	(405)	(431)
Tax charge on profit on ordinary activities	-	-

9. DIVIDENDS

	2013 £'000	2012 £'000
Equity dividend paid of £15 31 (2012 - £14 43) per ordinary share	1,531	1,443

10. TANGIBLE FIXED ASSETS

Office Equipment and Refurbishment	Total £'000
Cost	
At 1 April 2012	309
Additions	5
At 31 March 2013	314
Accumulated depreciation	
At 1 April 2012	287
Charge for year	8
At 31 March 2013	295
Net book value	
At 31 March 2013	19
At 31 March 2012	22

The net book value includes £2,000 (2012 - £4,000) in respect of assets held under finance leases

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

11. DEBTORS

Amounts falling due within one year	2013 £'000	2012 £'000
Trade debtors	2,572	2,133
Amounts owed by group undertakings	3,460	3,267
Prepayments and accrued income	224	243
	<u>6,256</u>	<u>5,643</u>

12. CASH AT BANK AND IN HAND

Included within cash at bank and in hand on the balance sheet is £2,138,000 (2012 - £2,088,000) held in separately designated Non-Statutory Trust Client Accounts in accordance with the Financial Services Authority's (now Financial Conduct Authority) regulatory requirements

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Bank overdraft	8	9
Trade creditors	4,576	3,906
Obligations under finance leases	2	3
Other creditors including taxation and social security	148	158
Accruals and deferred income	<u>1,215</u>	<u>1,248</u>
	<u>5,949</u>	<u>5,324</u>

Obligations under finance leases are secured against the asset to which they relate

14. CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
Allotted, called up and fully paid		
100,000 ordinary shares of £1 each	<u>100</u>	<u>100</u>

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

15. PROFIT AND LOSS ACCOUNT

	2013 £'000
Balance at beginning of year	2,329
Profit for the year	1,566
Dividends	(1,531)
Balance at end of year	2,364

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £'000	2012 £'000
Opening shareholders' funds	2,429	2,341
Profit for the year	1,566	1,531
Dividends	(1,531)	(1,443)
Closing shareholders' funds	2,464	2,429

17. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is Wheatshaf Investments Limited, a company registered in England and Wales. Wheatshaf Investments Limited is wholly-owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

Wheatshaf Investments Limited heads the largest and smallest group of undertakings of which the company is a member and for which group financial statements have been prepared for the year ended 31 March 2013.

Copies of the financial statements of Wheatshaf Investments Limited can be obtained from Companies House, Crown Way, Mandy, Cardiff CF14 3UZ.

18. RELATED PARTY TRANSACTIONS

The company arranged insurance cover on an arm's length basis for members of the Grosvenor Family and Grosvenor Trusts. Aggregate premiums arising in the year were £1,216,978 (2012 - £1,080,940).

Premiums charged in the year to other related parties, including fellow subsidiaries of Wheatshaf Investments Limited and Grosvenor Group Limited property group, were £11,644,833 (2012 - £12,562,310).

During the year, the company was charged rent and management fees totalling £126,631 (2012 - £124,924) by companies within the Grosvenor Group. At the year end, there was an outstanding balance of £nil (2012 - £nil) Grosvenor Group and Realty Insurances Limited share ultimate controlling parties.

In addition, the company was charged management and administrative fees totalling £72,960 (2012 - £57,960) during the year by a Grosvenor Trust. Two trustees of this trust are also Directors of the ultimate parent company. At the year end, there was an outstanding balance of £8,820 (2012 - £8,760).

Included in turnover is an amount of £40,000 (2012 - £34,260) in relation to insurance advisory services provided to companies within the Grosvenor Group.

REALTY INSURANCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

19. COMMITMENTS

Annual commitments under non-cancellable operating leases which expire

	2013 Land and buildings £'000	2012 Land and buildings £'000
Within two to five years	<u>115</u>	<u>115</u>

Annual commitments under finance leases which are due

	2013 £'000	2012 £'000
Within one year	1	1
Within two to five years	<u>1</u>	<u>2</u>
	<u>2</u>	<u>3</u>