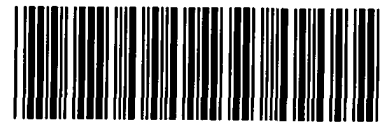


RCHL Old Limited
Annual Report and Financial Statements
for the year ended 30 March 2022

FRIDAY



AC2DPCDD

A19

28/04/2023

#197

COMPANIES HOUSE

Company Registration No. 2207611

Contents	Page
Officers and Advisers	2
Strategic Report for the year ended 30 March 2022	3
Directors' Report for the year ended 30 March 2022	5
Statement of Comprehensive Income for the year ended 30 March 2022	11
Statement of Financial Position as at 30 March 2022	12
Statement of Changes in Equity for the year ended 30 March 2022	13
Notes to the Financial Statements for the year ended 30 March 2022	14

Officers and Advisers

Directors	Mr S O'Neill
Principal bankers	Santander UK Corporate Bank 58/60 Briggate Leeds LS1 6AS
Independent auditors	Crowe U.K. LLP Chartered Accountants and Statutory Auditors 3 rd Floor The Lexicon Mount Street Manchester M2 5NT
Tax advisors	Rawlinson & Hunter 6 New Street Square New Fetter Lane London EC4A 3AQ
Registered office	Brookfield Court Selby Road Garforth Leeds West Yorkshire LS25 1NB
Company Registration number	2207611

Strategic Report for the year ended 30 March 2022**Principal activities**

The company's principal is that of an insurance underwriting agent. The principal trading assets of the Company were sold in February 2020, following which the Company is in run-off, however, it continues to manage those insurance policies not included in the aforementioned disposal that are still live. Going forward, the company will be facilitating the claims function, with administration performed by a third-party claims handler.

Review of the business

The results for the company as set out on page 12 shows a loss before taxation of £128,377 (2021: £20,681,257), and operating loss of £1,170 (2021: £318,709). Total equity of the company shows a surplus of £954 (2021: £122,181).

Future outlook

Following the sale of the principal trade during the year ended 31 March 2020, the company will facilitate the claims function operated by a third-party claim's handler.

Going Concern

As at 30 March 2022, the company is in a net assets position of £954 (2021: £133,576). RCHL Old Limited has creditor balances of £805,033, which falls within "Creditor amounts falling due within one year" on the Statement of Financial Position. A step plan is in place to clear down these liabilities following a restructure within the parent group.

Whilst the Directors consider that the company will be able to pay its debts as they fall due, there remain material uncertainties in relation to the trading position of the entity which cast significant doubt upon the Company's ability to continue as a going concern.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by directors delegated with the appropriate responsibilities. Compliance with regulation, legal and ethical standards is a high priority for the company.

Financial Risk Management**Regulatory and Conduct Risk**

In the ordinary course of business, these risks could lead to reputational damage, regulatory or legal censure, fines or prosecutions and other types of non-budgeted operational risk losses associated with our conduct and activities.

Regulatory Risk

We have no appetite for material and firm level risks resulting in reputational damage, regulatory or legal censure, fines or prosecutions and other types of non-budgeted operational risk losses associated with the Company's activities. We maintain an appropriate internal control environment.

Strategic Report for the year ended 30 March 2022 (continued)**Conduct Risk**

Conduct risk has been defined as risks arising from the Company's conduct in direct relationships with commercial customers, or indirect relationship with customers via Brokers or Claims Suppliers. This also includes Claims suppliers and Broker Schemes with Delegated Authority. Our code of conduct is "We will always aim to treat people with honesty and integrity, putting the interests of our customers first". The claims handling services are now in run-off with insurers having a direct relationship with the external claims handling companies and the risk is therefore mitigated.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the company is exposed to credit risk are amounts due from insurers and insurance intermediaries.

The company manages the levels of credit risk it accepts, and such risks are subject to regular review. Each account is closely monitored by the credit control function.

Operational risk

Operational risk is the risk of loss due to inadequate or failed internal processes, people, systems or from external events. The company manages operational risk by having suitable processes and systems in place.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. The primary liquidity risk of the company is the obligation to pay insurers. All insurance related monies are held in non-statutory trust accounts for the sole benefit of the relevant insurers. Regular forecasts are performed to ensure that the company maintains an appropriate level of liquidity.

Interest rate risk

Interest rate risk arises primarily from borrowing from group companies. The company monitors interest rates on a monthly basis and reviews the materiality of the impact of any changes.

Approved by the Board and signed on its behalf by:



.....
Mr S O'Neill

Director

Date: 28 April 2023

Directors' Report for the year ended 30 March 2022

The directors present their report and the audited financial statements for the year ended 30 March 2022.

Dividends

The directors do not recommend the payment of a dividend for the year ended 30 March 2022 (2021: £nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

Mr S O'Neill	(appointed 24 October 2022)
Mr L D Harvey	(resigned 24 October 2022)
Mr T J Smyth	(resigned 24 October 2022)
Mr A C Gribben	(resigned 22 June 2021)
Mr G M Coates	(resigned 24 October 2022)

Qualifying third-party indemnity provisions

The directors are protected by an indemnity insurance provision as defined by Section 234 of the Companies Act 2006. The indemnity cover has been in place for the period covered by these financial statements and ongoing from the date of approval, with renewal due August 2023.

Employees

RCHL Old Limited has no employees in the current year.

Statement of disclosure of information to auditors

Each director at the date of approval of this report confirmed that there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The company has elected to dispense with the requirement to hold an Annual General Meeting and reappoint auditors annually. Accordingly, Crowe U.K. LLP, having indicated their willingness to do so, will continue as the company's auditors.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Directors' Report for the year ended 30 March 2022 (continued)**Statement of directors' responsibilities in respect of the financial statements (continued)**

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

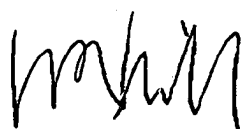
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

The financial statements on pages 11 to 20 were approved by the Board and signed on its behalf by:



Mr S O'Neill

Director

Date: 28 April 2023

Independent Auditor's Report to the Members of RCHL Old Limited**Opinion**

We have audited the financial statements of RCHL Old Limited for the period ended 30 March 2022 which comprise the balance sheet as at 30 March 2022; the profit and loss account the statement of changes in equity for the period then ended, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2022 and of its loss for the period 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the company incurred a net loss of £121,227 during the year ended 30 March 2022. As stated in Note 3, a material uncertainty exists around the entities intention to continue as a going concern over the next 12 months following a restructure within the parent group. The entities have the assets available to discharge all known liabilities as they fall due over the next 12 months.

Our opinion is not modified in respect of this matter.

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.

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

Independent Auditor's Report to the Members of RCHL Old Limited (continued)**Other information**

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7 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.

Independent Auditor's Report to the Members of RCHL Old Limited (continued)

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined the most significant are the appropriate accounting standards in conformity with the requirements of the Companies Act 2006 and relevant Financial Services legislation;

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience, through discussion with the Directors, and from inspection of the Company's board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the Chief Financial Officer;

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management from relevant parts of the business to understand where management considered there was a susceptibility to fraud. We also considered the potential for management to manage earnings and influence the perceptions of the financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the timing of recognition of income.

Our Audit procedures to respond to these risks included:

- Evaluation of the design of controls established to address the risks related to material irregularities in the financial statements; Testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to non-routine transactions.
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Making enquiries of management; and
- Review of minutes of board meetings throughout the period;

Independent Auditor's Report to the Members of RCHL Old Limited (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Owing to the inherent limitations of an audit there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

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



Michael Jayson
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

28 April 2023

Statement of Comprehensive Income for the year ended 30 March 2022

	Note	Year ended 30 March 2022 £	Year ended 31 March 2021 £
Turnover	4	599	36,052
Administrative expenses		(1,769)	(354,761)
Operating loss	5	(1,170)	(318,709)
Exceptional Items	6	(150,000)	(21,024,120)
Interest receivable and similar income	8	24,756	661,809
Interest payable and similar expenses	9	(1,963)	(237)
Loss before taxation		(128,377)	(20,681,257)
Tax on loss	10	7,150	(21,426)
Loss for the financial year		(121,227)	(20,702,683)

The notes to the financial statements on pages 14 to 21 form an integral part of these financial statements.

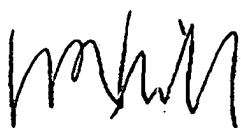
The company has no comprehensive income other than those included in the results above, and therefore no separate statement of total comprehensive income has been presented.

Statement of Financial Position as at 30 March 2022

	Note	Year ended 30 March 2022 £	Year ended 31 March 2021 £
Current assets			
Debtors	11	805,536	1,406,136
Cash at bank and in hand	12	451	4,949
		<u>805,987</u>	<u>1,411,085</u>
Creditors: amounts falling due within one year	13	(805,033)	(1,277,509)
Net current assets		<u>954</u>	<u>133,576</u>
Total assets less current liabilities		<u>954</u>	<u>133,576</u>
Creditors: amounts falling due after more than one year	14	-	(11,395)
Net assets		<u>954</u>	<u>122,181</u>
Capital and reserves			
Called up share capital	17	1,141,000	1,141,000
Accumulated losses		(1,140,046)	(1,018,819)
Total shareholders' funds		<u>954</u>	<u>122,181</u>

The notes to the financial statements on pages 14 to 21 form an integral part of these financial statements.

The financial statements on pages 11 to 21 were authorised for issue by the Board of Directors on 28 April 2023 and were signed on its behalf by:



.....
Mr S O'Neill
Director

RCHL Old Limited
Company registration number: 2207611

Statement of Changes in Equity for the year ended 30 March 2022

	Called up share capital £	Retained Earnings £	Total Equity £
Balance as at 1 April 2020	<u>1,141,000</u>	<u>19,683,864</u>	<u>20,824,864</u>
Loss for the Financial Year	-	(20,702,683)	(20,702,683)
Balance as at 30 March 2021	<u>1,141,000</u>	<u>(1,018,819)</u>	<u>122,181</u>
Balance as at 31 March 2021	<u>1,141,000</u>	<u>(1,018,819)</u>	<u>122,181</u>
Loss for the Financial Year	-	(121,227)	(121,227)
Total comprehensive expense for the year	-	(121,227)	(121,227)
Balance as at 30 March 2021	<u>1,141,000</u>	<u>(1,140,046)</u>	<u>954</u>

The notes to the financial statements on pages 14 to 21 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 30 March 2022**1. General Information**

RCHL Old Limited ("the Company") operates as an insurance underwriting agent in run off following the sale of trade in February 2020. The Company is a private company limited by shares and is incorporated and domiciled in England, United Kingdom. The address of its registered office is Brookfield Court, Selby Road, Garforth, Leeds, West Yorkshire, LS25 1NB.

2. Statement of Compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

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

Going Concern

As at 30 March 2022, the company is in a net assets position of £954 (2021: £133,576). RCHL Old Limited has creditor balances of £805,033, which falls within "Creditor amounts falling due within one year" on the Statement of Financial Position. A step plan is in place to clear down these liabilities following a restructure within the parent group.

Whilst the Directors consider that the company will be able to pay its debts as they fall due, there remain material uncertainties in relation to the trading position of the entity which cast significant doubt upon the Company's ability to continue as a going concern.

Insurance Balances

Insurance balances, being amounts receivable from policyholders in respect of net written premiums ("NWP") and payable to the insurer and insurance monies held in designated insurance money accounts are only recognised to the extent that the company retains the risks and rewards of ownership. Following consideration by management, amounts receivable from the policy holder in respect of net written premiums ('NWP') and payable to the insurer are not included as an asset or liability as they do not meet the criteria for recognition of a financial asset or liability. In addition insurance monies held in designated insurance money accounts are not recognised on the balance sheet as the company is not legally entitled to these funds.

Turnover

The company generates revenue principally from commissions and fees associated with operating as an insurance underwriting agent. Revenues from brokerage, commissions and fees from insurance intermediary businesses are recognised when the policy is inception.

Depreciation & Amortisation

Fixed assets are written off on a straight-line basis over their estimated useful lives being 4 years or for leasehold Improvements; period of the lease.

Notes to the Financial Statements for the year ended 30 March 2022 (continued)**3. Accounting policies (continued)****Operating Leases**

Rentals payable under operating leases, which are those in which a significant proportion of the risks and rewards of ownership are retained by the lessor, are charged on a straight-line basis over the term of the lease.

Assets held under finance leases, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over the shorter of their useful lives and the lease term. The capital elements of the related lease obligations are included in the liabilities. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease.

Taxation

Taxation for the period comprises current and deferred tax recognised in the reporting period. Current or deferred taxation assets and liabilities are not discounted.

(i) **Current Tax**

Current tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) **Deferred Tax**

Deferred tax is recognized on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Liabilities for provisions and charges

Provisions have been made for commission rate adjustments where the contract stipulates a loss corridor. These provisions have now been agreed and incurred on legislative and contractual requirements.

Pensions

The company operates non-contributory defined contribution grouped personal pension plans covering the majority of permanent employees where subsidiaries have elected to participate. The assets of the plans are held separately from those of the group in independently administered funds for individual members of staff. The plans are funded by contributions that are charged to the profit and loss account as incurred in accordance with the employment contract of each director or employee.

Notes to the Financial Statements for the year ended 30 March 2022 (continued)**3. Accounting policies (continued)****Exemptions for qualifying entities under FRS 102**

RCHL Old Limited's accounts are consolidated into RCHL Group Limited's financial statements (being the parent company of the Group). Those consolidated accounts can be obtained from Brookfield Court, Selby Road, Garforth, Leeds, LS25 1NB. FRS 102 allows a qualifying entity certain disclosure exemption, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, required under FRS 102 paragraph 3.17(d) on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the parent company RCHL Group Limited, includes the Company's cash flows;
- (ii) from disclosing related party transactions with entities that are part of the Primary Group Limited group or investors of Primary Group Limited, under FRS 102 paragraph 33.1(a);

4. Turnover

All turnover and profit before taxation is derived from the company's principal activities of an underwriting agency carried on in the UK.

5. Operating loss

The operating loss is stated after charging:

	2022	2021
	£	£
Fees payable to group undertaking	114,073	386,492
Audit	5,000	10,000
Tax fees	9,096	11,000
Amortisation & depreciation of owned assets	-	2,164
Release of bad debt provision	<u>(146,158)</u>	<u>-</u>

6. Exceptional items

	2022	2021
	£	£
Provision against intercompany balance owed	<u>(150,000)</u>	<u>(21,024,120)</u>
	<u>(150,000)</u>	<u>(21,024,120)</u>

7. Information regarding directors and employees

The charge for directors' emoluments and contributions to money purchase pension schemes total £154,639 (2021: £128,177), in respect of their services to the group as a whole.

Notes to the Financial Statements for the year ended 30 March 2022 (continued)**8. Interest receivable and similar income**

	2022	2021
	£	£
Loan interest receivable	24,756	661,100
Other interest receivable	-	709
	<u>24,756</u>	<u>661,809</u>

9. Interest payable and similar expenses

	2022	2021
	£	£
Other interest payable	1,963	237
	<u>1,963</u>	<u>237</u>

10. Tax on profit/(loss)**(a) Analysis of current year tax charge/(credit)**

	2022	2021
	£	£
Current tax:		
Based on the loss for the year at 19% (2021: 19%)		
Group relief and similar payments		65,928
Adjustment to tax in respect of prior periods	(7,150)	(44,502)
Total tax (credit)/charge for the period	<u>(7,150)</u>	<u>21,426</u>

(b) Factors affecting current tax charge/(credit) for the year:

The tax assessed for the period differs from the standard rate of corporation tax in the UK at 19% (2021 – 19%). The differences are explained below:

	2022	2021
	£	£
Loss) before taxation	<u>(128,377)</u>	<u>(20,681,257)</u>
Loss) before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	<u>((24,392)</u>	<u>(3,929,439)</u>
<u>Effects of:</u>		
Permanent differences	23,457	3,995,587
Unrecognised deferred tax and deferred tax of group transfer of assets	935	(220)
Adjustments to tax in respect of prior periods – group relief	<u>(7,150)</u>	<u>(44,502)</u>
Total tax (credit)/charge for the year (Note 10(a))	<u>(7,150)</u>	<u>21,426</u>

(c) Tax rate change

On 31 March 2021 it was announced that the UK corporation tax rate would increase from 19% to 25% from 1 April 2023, and the change was substantively enacted on 24 May 2021. As such, all deferred tax assets/liabilities have been restated and recognised at 25% to the extent that they are expected to reverse after 1 April 2023.

Notes to the Financial Statements for the year ended 30 March 2022 (continued)**10. Tax on profit/(loss)****(d) Deferred tax asset**

There is an unrecognised deferred tax asset of £19,802 (2021: £14,115) in respect of accelerated capital allowances.

11. Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	805,536	1,391,136
Prepayments and accrued income	-	15,000
	<u>805,536</u>	<u>1,406,136</u>

12. Cash at bank and in hand

The cash at bank and in hand balance of £451 (2021: £4,949), represents an amount of commission income collected and office account cash.

£188,915 (2021: £383,984) is held in designated underwriter accounts under risk transfer agreements with the relevant insurers and the cash legally cannot be used for any other purpose than settlement of claims to policy holders, pay premiums to underwriters and commissions and other income to group undertakings. These balances have not been recognised on the Statement of Financial Position in full due to their nature as they do not meet the criteria for recognition of a financial asset under FRS 102.

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	7,004	23,133
Insurance creditors	-	293,835
Finance lease	5,406	13,023
Provisions	590,624	667,424
Other creditors	182,320	226,002
Taxation and social security creditors	19,679	34,068
Accruals and deferred income	-	20,024
	<u>805,033</u>	<u>1,277,509</u>

Included within Provisions is £590,624 (2021: £667,424) representing commission rate adjustments where the contract stipulates a loss corridor. These provisions have now been agreed and incurred on legislative and contractual requirements.

Notes to the Financial Statements for the year ended 30 March 2022 (continued)**14. Creditors: amounts falling due after more than one year**

	2022	2021
	£	£
Finance lease	-	11,395
	<u>-</u>	<u>11,395</u>

15. Finance lease

Future minimum payments under finance leases are as follows:

	2022	2021
	£	£
Within one year	5,406	13,023
In more than one year, but not more than five years	-	11,395
Total gross payments	5,406	24,418
Less finance charges included above	(184)	(1,877)
	<u>5,221</u>	<u>22,541</u>

16. Related party disclosures

As permitted under FRS 102, paragraph 33.1A, transactions between group companies which are wholly owned have not been disclosed.

17. Called up share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>1,141,000</u>	<u>1,141,000</u>

18. Ultimate parent undertaking

The immediate parent undertaking is PBS Holdings Limited. RCHL Group Limited is the largest group of undertakings to consolidate these financial statements. The registered address of RCHL Group Limited is Brookfield Court, Selby Road, Garforth, Leeds, LS25 1NB.

The ultimate holding company at the date on which the financial statements were approved was Primary Group Holdings 1 Limited, a company incorporated in Bermuda.

In the opinion of the directors, at the date on which the financial statements were approved, the ultimate controlling party is Mr PWH James.