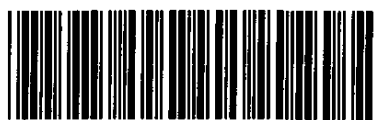


Company Registration No. 02690266 (England and Wales)

REAL INSURANCE GROUP LIMITED

ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

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REAL INSURANCE GROUP LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

The Directors present the Strategic Report for the period ended 31 December 2022

Overview

Real Insurance Group Limited ('the Company') is an insurance intermediary providing retail broking services for small and medium businesses.

Prior to 1 July 2022 the ultimate parent undertaking was GRP (Jersey) Holdco Limited, a company incorporated in the United Kingdom. After 1 July 2022 Brown & Brown, Inc., a company incorporated in the USA became the ultimate parent undertaking of the Group

The Company is part of the GRP group of companies controlled by Brown & Brown, Inc.. The GRP Group ('the Group') is an investment vehicle aimed at brokers and managing agents trading in the UK retail and global speciality insurance markets.

Business Review

The Company's only KPI is earnings before interest, taxation, depreciation, amortisation and other one off transactions ('EBITDA'). The Company's EBITDA for the period is £450,402 (period ended 2022: £442,448) as shown in the table below:

	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
	£	£
Profit for the financial period	353,472	358,508
Adjusting for:		
Interest	-	-
Taxation	94,819	83,035
Depreciation	1,704	905
Amortisation	-	-
(Profit)/loss on disposal of fixed assets	-	-
Share based remuneration	407	-
Exceptional items	-	-
EBITDA for the period	450,402	442,448

The Company has a strong employee team, an excellent renewal portfolio and a strong pipeline of new business heading into the new financial year.

REAL INSURANCE GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

Principal risks and uncertainties

The Company's activities expose the business to a number of key risks which have the potential to affect the Company's ability to achieve its business objectives. The Board is responsible for ensuring that an appropriate structure for managing these risks is maintained. The key risks and risk mitigation framework are highlighted below:

Regulatory and Compliance risk

There is the risk of financial loss or reputational impact through non-compliance with the relevant laws and regulations of the insurance intermediary sector. The Company manages this through an established control framework based on documented policies and procedures, compliance function monitoring and reporting, and ongoing monitoring at Board and the Audit and Risk Committee meetings.

The Company is regulated by the Financial Conduct Authority and therefore subject to a minimum capital requirement.

Cashflow and Liquidity risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates due to insurance balances denominated in Sterling, and through changes in interest rates. To minimise the risk, foreign currency transactions are matched utilising foreign currency bank accounts. The Company regularly assesses foreign currency exposure and, where material, will endeavour to hedge as appropriate.

Liquidity risk is the risk that sufficient financial resources are not available to be readily converted in cash in order to enable the Company to meet its financial obligations as they fall due. The Company mitigates this risk by underwriting niche, profitable lines, which are less prone to the cyclical nature of the wider market.

Liquidity is optimally managed so that all known cash flows can be met out of readily available sources of funding and holds its cash reserves in bank deposit accounts.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other receivables with credit risk primarily attributable to its trade receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. There is no significant concentration of credit risk as the risks are spread over a number of customers.

Interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows.

REAL INSURANCE GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

Errors and Omissions Exposures

As a consequence of the business sector the Company operates in, claims alleging professional negligence may be made against the Company. Some of these may have a material adverse impact on the Company's profitability, cash and capital. The Company mitigates this risk by ensuring that it has in place robust and risk-based governance and operational policies and procedures, and that staff are competent for the roles they perform and have access to appropriate training and development. In addition, the Company has taken out Errors & Omissions insurance cover.

Economic Environment and Competition

We expect the challenging economic circumstances and resulting competition will remain for the foreseeable future. Insurers' increasingly selective approach, and the resulting reduction in underwriting capacity and increase in premium rates, has created a challenging environment for the Company but underlines the value to its clients of the Company's sector knowledge and standard of service. The Company continues to monitor both regulatory and market developments and adapts its model to both threats and new opportunities.

Political Risk

The company has performed a review and is not significantly impacted. The situation continues to be closely monitored.

Cyber/IT Risk

The Company is exposed to potential IT failure as a result of a cyber-attack. The Company manages this through a comprehensive set of policies, procedures and controls including robust security protocols.

Section 172

The Board considers the long term consequences of its decisions and these are guided by the Company's strategy which seeks to ensure this is executed with due regard to our stakeholders and maintaining high standards of business conduct. Key stakeholders also include our employees, customers, insurers and regulators. We engage with each of these as follows:

Employees

The Board recognises that employees are our biggest asset and through development and remuneration structures we reward performance at the individual business level. We seek to focus on our employees to promote an open and honest culture where every employee feels valued and trusted to do the right thing.

REAL INSURANCE GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

Customers

Positive customer relationships are key to the performance of the Company and we endeavour to achieve and maintain a high standard of customer satisfaction. We review our product offerings and services to ensure these continue to meet the high standards set and meet customer needs.

Insurers

Strong relationships with Insurers is central to the future success of the Company. Regular meetings are held with key insurance partners to discuss performance and ways in which we can enhance the customer experience. With regular insurer engagement GRP is able to continue the high standards of service to customers.

Regulators

The Company's principal regulator is the FCA and the board operates an open and transparent relationship. The Company believes that having a strong, positive and open relationship with the FCA is essential for future strategy and growth.

Community & sustainability

The Group's commitment to minimising our impact on the environment is evidenced through encouraging recycling internally, using motion sensitive lighting in offices where available and encouraging employee home working, reducing emissions.

Future developments and events after the balance sheet date

There are no post balance sheet events.

This report is approved and authorised on behalf of the Board of Directors.



.....
Steven Taylor

27 September 2023

Director

REAL INSURANCE GROUP LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

The Directors present their annual report on the affairs of Real Insurance Group Limited ('the Company'), together with the financial statements for the period ended 31 December 2022.

Principal activities

The principal activities of the Company, along with a review of the business, details of future developments, events after the balance sheet date and the principal risks and uncertainties can be found in the strategic report on pages 3 to 6.

Directors

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

Steven Taylor
Christopher Breeze
Neil Thornton

Results and Dividends

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

Ordinary dividends of £nil were paid during the period (31 March 2022: £6,471). The directors do not recommend payment of a final dividend.

Directors' indemnities

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. The Company's parent undertaking, Global Risk Partners Limited, also provides additional cover for the Directors against personal financial exposure under a directors' and officers' liability insurance policy.

Audit exemption

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

REAL INSURANCE GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

Going Concern

The financial statements of the Company set out on pages 10 to 38 have been prepared on a going concern basis.

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the Directors have taken into account the following:

- The capital structure and liquidity of the company
- *The principal risks facing the company and its systems of risk management and internal control*
- The business trajectory of profit growth and continued cashflow generation.

The insurance industry is a segment of the UK economy which has been proven resilient in recent crises

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on the Group's ability to continue as a going concern.

Financial Risks and Uncertainties

Detail of principal risks and uncertainties can be found in the Strategic Report on pages 3-6

Political Donations

The Company made no political contributions during the year.

This report is approved and authorised on behalf of the Board of Directors



Steven Taylor

Director

27 September 2023

REAL INSURANCE GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2022

The Directors are responsible for preparing the Strategic Report and the Directors' 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

REAL INSURANCE GROUP LIMITED

PROFIT AND LOSS

FOR THE PERIOD ENDED 31 DECEMBER 2022

		9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
	Notes	£	£
Turnover	3	815,056	895,667
Administrative expenses		(367,220)	(455,209)
Other operating income		862	1,085
Operating profit		448,698	441,543
Dividend income receivable from group companies		-	-
Share based remuneration	7	(407)	-
Finance costs (net)	9	-	-
Exceptional items	5	-	-
Profit before taxation		448,291	441,543
Taxation	10	(94,819)	(83,035)
Profit for the financial period		353,472	358,508

The Company has no comprehensive income other than the amounts recognised in the Profit and Loss account above. Accordingly, no Statement of Comprehensive Income has been presented. All operations are continuing

REAL INSURANCE GROUP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2022

	Notes	As at 31 December 2022		As at 31 March 2022	
		£	£	£	£
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		-		2,127
Investments in subsidiaries	14		-		-
Other investments			-		-
Current assets and liabilities			-		2,127
Debtors	15	1,197,813		745,569	
Cash	16	94,470		117,208	
Creditors due within one year	17	(115,310)		(41,548)	
Provisions for liabilities due within one year	18	(475)		(642)	
Net current assets			1,176,498		820,587
Total assets less current liabilities			1,176,498		822,714
Creditors falling due after more than one year	17		-		(96)
Provisions for liabilities falling due after more than one year	18		-		-
Net assets			1,176,498		822,618
Capital and reserves					
Called-up share capital	21		5,305		5,305
Share premium account	22		-		-
Other reserves	22		29,991		29,583
Profit and loss account			1,141,202		787,730
Total equity			1,176,498		822,618

REAL INSURANCE GROUP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2022

For the period ended 31 December 2022 the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors responsibilities:

- The shareholder has not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.
- Preparing financial statements which give a true and fair view of the state of affairs of the Company at Notes to accounts and of its profit and loss for the year then ended in accordance with the requirements of section 394 of the Companies Act 2006 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the Company.

The financial statements of Real Insurance Group Limited (registered number 02690266) were approved by the Board of Directors and authorised for issue on 27 September 2023 and are signed on its behalf by:



.....
Steven Taylor

Director

REAL INSURANCE GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022

		Share capital	Share premium account	Other reserves	Profit and loss reserves	Total
	Notes	£	£	£	£	£
At 31 May 2021		5,305	-	29,583	435,693	470,581
Period ended 31 March 2022						
Profit and total comprehensive income for the period		-	-	-	358,508	358,508
Dividends payable	11	-	-	-	(6,471)	(6,471)
Other		-	-	-	-	-
At 31 March 2022		5,305	-	29,583	787,730	822,618
Period ended 31 December 2022						
Profit and total comprehensive income for the period		-	-	-	353,472	353,472
Dividends payable	11	-	-	-	-	-
Capital contribution		-	-	-	-	-
Other		-	-	408	-	408
At 31 December 2022		5,305	-	29,991	1,141,202	1,176,498

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Real Insurance Group Limited is a privately owned company limited by shares incorporated in England and Wales. The registered office is 7th Floor Corn Exchange, 55 Mark Lane, London, England, EC3R 7NE

The Company's principal activities are disclosed in the Directors' Report on page 7.

Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain disclosure exemptions available to it in respect of its financial statements.

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Brown & Brown UK - GRP Limited (formerly GRP UK Bidco Limited). The consolidated financial statements of Brown & Brown UK - GRP Limited (formerly GRP UK Bidco Limited) are available from its registered office, 7th Floor Corn Exchange, 55 Mark Lane, London, United Kingdom, EC3R 7NE.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Going concern

The financial statements of the Company set out on pages 10 to 38 have been prepared on a going concern basis.

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the Directors have taken into account the following:

- The capital structure and liquidity of the company
- The principal risks facing the company and its systems of risk management and internal control
- The business trajectory of profit growth and continued cashflow generation.

The insurance industry is a segment of the UK economy which has been proven resilient in recent crises.

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on the Group's ability to continue as a going concern.

Prior year adjustment

No adjustments have been made.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Turnover

Turnover represents brokerage, profit commission and fees net of any commission payable to third parties. It arises on the placement of insurance contracts by the Company.

Brokerage is recognised when the Company's contractual right to such income is established and to the extent that the Company's relevant obligations under the contracts concerned have been performed. For most of the Company's broking activities, this means that brokerage is recognised at the inception of the underlying contract of insurance concerned, subject to a deferral of brokerage in respect of post-placement services that constitutes obligations of the company under those contracts.

Where the amount of brokerage is dependent on the achievement of contractual targets, the minimum amounts under the contract are recognised on inception, and the incremental amounts arising are recognised when their targets concerned are achieved.

Where the amount of brokerage is dependent on the results of the business placed, the minimum amounts under the contract are recognised at inception, and any incremental amounts are recognised only to the extent that a reliable estimate of the amounts concerned can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Profit commission arising from the placement of insurance contracts or the exercise of an underwriting agency by the Company is recognised when the right to such profit commission is established through a contract, but only to the extent that a reliable estimate of the amount due can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Revenue that has been credited in the Company's books, but not yet recognised as income in accordance with the policies described above, is credited to the deferred income account within accruals and deferred income in the Company's balance sheet.

Revenue that is recognised in accordance with this policy before it has been credited in the Company's books is included in insurance debtors in the Company's balance sheet.

In the case of proportional treaty insurance business and binding authorities, brokerage is recognised when the accounts are received. Fees are credited to the profit and loss account when invoiced to the client.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Intangible fixed assets

Intangible fixed assets are shown at purchase cost and amortised through the profit and loss account in equal instalments over the estimated useful life of the asset as follows:

Computer software:	N/A
Intellectual property:	N/A
Research and design:	N/A
Software licenses:	N/A
Website:	N/A
Customer relationships:	N/A

Cost associated with assets under construction are held within tangible fixed assets as they are incurred and qualify for depreciation at such time that they are complete.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets Other Than Goodwill and are therefore not treated, for dividend purposes as a realised loss.

Provision is made for any impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property:	N/A
Office equipment:	N/A
Motor vehicles:	N/A
Fixture and fittings:	4 years
Computer equipment:	4 years
Leasehold improvements:	N/A

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

(i) Cash and equivalents

Cash and equivalents comprise cash in hand and deposits which are readily available and which are subject to insignificant changes in value and have an original maturity of three months or less at acquisition. The carrying amount of assets is approximately equal to fair value.

(ii) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a. Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- b. There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- c. Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- d. There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

(ii) Financial assets and liabilities (continued)

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

Current tax, including UK corporation tax and foreign 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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Exchange differences

Where any sums originally denominated in foreign currencies have been brought into account under any items shown in the profit or loss account the transaction is accounted for using the rate of exchange prevailing on the date of the transaction.

Employee benefits

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

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

Retirement benefits

The Company operates a defined contribution pension scheme for employees. The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Share-based payments

The Company's parent issues shares in the equity of the Company to certain employees as part of a long-term incentive plan in respect of services provided to the Company. The shareholdings are gifted to the employees with no attached vesting conditions and are recognised in the profit and loss account as an administration expense at the point of gifting. As no amount is recharged to the Company in respect of the cost incurred by the parent company in making the payment, the Company accordingly recognises a capital contribution within retained earnings in respect of these costs.

Leases

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

Insurance debtors and creditors

The Company acts as an insurance broker in placing the insurable risks of its clients with insurers and as such is not liable as principal for the amounts arising from such transactions. In recognition of this relationship, debtors from insurance transactions are not included as assets of the Company.

Other than amounts receivable for the fees and commissions earned on a transaction, the Company does not recognise any part of the insurance transaction until cash is received in respect of premiums or claims. At that time a corresponding liability is established in favour of the insurer or the client. In certain circumstances the Company advances premiums, refunds or claims to insurers or clients prior to collection. The advances are reflected in the balance sheet as part of trade receivables.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

2 Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 the 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 if the revision affects only that period or the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements or key sources of estimation uncertainty involved in the process of applying the Company's accounting policies.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

3	Turnover	9 Months Ended 31 December 2022 £	10 Months Ended 31 March 2022 £
	United Kingdom	893,285	895,667
	Europe	-	-
	United States	-	-
	Rest of the world	-	-
		<u>893,285</u>	<u>895,667</u>
4	Operating profit		
	Operating profit for the year is stated after charging/(crediting):	9 Months Ended 31 December 2022 £	10 Months Ended 31 March 2022 £
	Amortisation of intangible assets	-	-
	Depreciation of tangible assets	1,704	905
	Operating leases	-	12,500
	(Profit)/loss on foreign exchange	-	-
	(Profit)/loss on sale of fixed assets	-	-
	Bank interest receivable	-	-
	Audit of the financial statements	-	-
		<u>-</u>	<u>-</u>
5	Exceptional Items		
	<i>An analysis of the Group's exceptional items recorded after operating</i>	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
	Change program	-	-
	Other exceptional items	-	-
		<u>-</u>	<u>-</u>
	Exceptional items are for non-recurring one-off items borne during the year that are not day to day costs of running the business. Change program includes restructuring costs such as the cost of redundancies and the implementation of Group wide IT systems.		

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

6 Employees

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

	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
Directors and managers	3	3
Underwriters	-	-
Brokers	1	1
Administration	1	1
Sales and distribution	7	6
	<u>12</u>	<u>11</u>

Their aggregate remuneration comprised:

	9 Months Ended 31 December 2022 £	10 Months Ended 31 March 2022 £
Wages and salaries	259,054	286,894
Social security costs	25,713	28,047
Pension costs	6,682	8,013
	<u>291,449</u>	<u>322,954</u>

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

7 Share based payments

Equity settled share based payment charges

Share options in the ultimate parent company are granted to Directors and employees of this Company. The exercise price of the granted options is equal to the market prices of the shares less 15% on the date of grant. Options are conditional on the employee completing three years services. The options are exercisable starting three years from the grant date. The company has no legal or constructive obligation to repurchase or settle the options in cash.

	9 Months Ended 31 December 2022 £	10 Months Ended 31 March 2022 £
Share Based Remuneration charge	407	-

Movements in the number of share options are outstanding are as follows:

	9 Months Ended 31 December 2022
	Options
At 1 April 2022	-
Granted	-
Forfeited	-
Exercised	-
Expired	-
At 31 December 2022	-

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

8	Directors' remuneration	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
	Emoluments	50,000	66,667
	Company contributions to money pension schemes	4,000	1,875
	Loans	-	-
		<u>54,000</u>	<u>68,542</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (10 Months Ended 31 March 2022: 1).

No share options were exercised by directors during the period.

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

	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
Emoluments	50,000	66,667
Company contributions to money pension schemes	4,000	1,875
Loans	-	-
	<u>54,000</u>	<u>68,542</u>

The highest paid Director had no shares receivable under long-term incentive schemes.

9	Finance costs (net)	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
	Interest receivable:		
	Interest receivable from group companies	-	-
	Interest on Directors Loans	-	-
	Other interest receivable	-	-
		<u>-</u>	<u>-</u>

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

9	Finance costs (net) (continued)	9 Months Ended 31	10 Months Ended 31
		December 2022	March 2022
	Interest payable:	£	£
	Interest payable to group undertakings	-	-
	Unwinding of discount - deferred consideration	-	-
	Interest on other loans	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
10	Taxation	9 Months Ended 31	10 Months Ended 31
		December 2022	March 2022
		£	£
	Current tax		
	UK corporation tax on profits for the current period	95,489	83,538
	Adjustments in respect of prior periods	-	-
	Other	-	-
		<u>95,489</u>	<u>83,538</u>
		<u>-</u>	<u>-</u>
	Deferred tax		
	Origination and reversal of timing differences	(670)	(503)
	Adjustment in respect of prior periods	-	-
	Effect of increased/(decreased) tax rate on opening balance	-	-
	Other	-	-
		<u>(670)</u>	<u>(503)</u>
		<u>-</u>	<u>-</u>
	Total taxation	<u>94,819</u>	<u>83,035</u>

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

10 Taxation (continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	9 Months Ended 31 December 2022 £	10 Months Ended 31 March 2022 £
Profit before taxation	448,291	441,543
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (Year to 31 March 2022: 19.00%)	85,175	83,893
Tax effect of expenses that are not deductible in determining taxable profit	9,644	(858)
Group relief	-	-
Adjustments in respect of prior years	-	-
Impact of tax rate changes	-	-
Movement in unrecognised deferred tax	-	-
Accelerated capital allowances	-	-
Other	-	-
Total taxation	94,819	83,035

On 3 March 2021, it was announced in the Budget that the UK tax rate will increase from 19% to 25% from 1 April 2023 onwards.

11 Dividends

	9 Months Ended 31 December 2022	10 Months Ended 31 March 2022
Ordinary dividend	-	6,471

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

12 Intangible assets

	Computer software	Intellectual property	Research and developmen t	Software licences	Website	Books of business	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2022	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
At 31 December 2022	-	-	-	-	-	-	-
Amortisation							
At 1 April 2022	-	-	-	-	-	-	-
Amortisation charged in the period	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
At 31 December 2022	-	-	-	-	-	-	-
Carrying amount							
At 31 March 2022	-	-	-	-	-	-	-
At 31 December 2022	-	-	-	-	-	-	-

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

13 Tangible assets

	Freehold property	Office equipment	Motor vehicles	Fixture and fittings	Computer equipment	Leasehold improvements	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2022	-	-	-	2,868	11,766	-	14,634
Additions	-	-	-	-	3,754	-	3,754
Acquisitions	-	-	-	-	-	-	-
Disposal	-	-	-	(2,868)	(15,520)	-	(18,388)
Write off	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
At 31 December 2022	-	-	-	-	-	-	(1)
Depreciation							
At 1 April 2022	-	-	-	1,856	10,651	-	12,507
Depreciation charged in the period	-	-	-	563	1,141	-	1,704
Disposal	-	-	-	(2,155)	(12,056)	-	(14,211)
Write off	-	-	-	-	-	-	-
Reclassification	-	-	-	(264)	264	-	-
At 31 December 2022	-	-	-	-	-	-	-
Carrying amount							
At 31 March 2022	-	-	-	1,012	1,115	-	2,127
At 31 December 2022	-	-	-	-	-	-	-

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

14 Fixed asset investments

Investments

	Notes	31 December 2022	31 March 2022
Investments in subsidiaries	27	-	-
Period ended 31 March 2022			
At 1 April 2022			£ -
Additions			-
Disposals			-
Impairment			-
At 1 April 2022			-
Period ended 31 December 2022			
Additions			-
Disposals			-
Impairment			-
At 31 December 2022			-
Carrying amount			
At 31 March 2022			-
At 31 December 2022			-

Details of the Company's subsidiary at 31 December 2022 are in Note 27.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

15 Debtors		
	31 December 2022	31 March 2022
Trade Debtors	-	-
<i>Amounts due from group undertakings</i>	1,171,865	601,001
Deferred taxation (see note 13)	-	-
Corporation Tax	-	-
Prepayments and accrued income	23,721	44,769
Other Debtors	2,227	99,799
Foreign currency forward contracts	-	-
Loans to Directors	-	-
	<u>1,197,813</u>	<u>745,569</u>

There are no balances due after more than one year.

The amounts owed by Group undertakings are unsecured, non-interest bearing and will be settled in cash.

16 Cash		
	31 December 2022	31 March 2022
Insurance related	-	-
Own cash	94,470	117,208
	<u>94,470</u>	<u>117,208</u>

Insurance related cash balances represents amounts held by the Company arising due to the Company's insurance broking operations. A corresponding liability in respect of this amount is included within Trade creditors note.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

17 Creditors

Amounts falling due within one year:	31 December 2022	31 March 2022
Trade creditors	-	-
Amounts due to group undertakings	-	-
Corporation Tax	101,158	6,172
Other taxation and social security	11,569	7,511
Other creditors	2,582	2,130
Foreign currency forward contracts	-	-
Accruals and deferred income	-	25,735
Loans to Directors	0	0
	<u>115,310</u>	<u>41,548</u>

The amounts owed to Group undertakings are unsecured, non-interest bearing and will be settled in cash.

Amounts falling due after more than one year:	31 December 2022	31 March 2022
Amounts due to group undertakings	-	-
Other	-	96
	<u>-</u>	<u>96</u>

This is repayable as follows:

	31 December 2022	31 March 2022
Between two and five years	-	-
In over five years	-	-
	<u>-</u>	<u>-</u>

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

18 Provisions for liabilities

	31 December 2022	31 March 2022
Contingent liability	-	-
Deferred consideration	-	-
Deferred taxation (see note 19)	475	-
	<u>475</u>	<u>-</u>

	Contingent liability £	Deferred consideration £	Deferred taxation £	Total £
At 1 April 2022	-	-	642	642
Additions	-	-	-	-
Charged to the profit and loss	-	-	(167)	(167)
Utilisation of provisions	-	-	-	-
Reclassification	-	-	-	-
At 31 December 2022	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>

The provisions are payable as follows:

	Within 1 year £	Between 1 and 2 years £	Between 2 and 5 years £	More than 5 years £	Total £
Contingent liability	-	-	-	-	-
Deferred consideration	-	-	-	-	-
Deferred taxation	475	-	-	-	475
	<u>475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>475</u>

The provision for contingent consideration is recognised when the payment is probable and can be measured reliably. Changes in the value of the liability are adjusted to the cost of the combination.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

19 Deferred taxation

	31 December 2022	31 March 2022
Fixed-asset timing differences	(475)	(642)
	<u>(475)</u>	<u>(642)</u>
		31 December 2022
Movements in the period:		
Asset at 31 March 2022		(642)
Adjustment in respect of prior years		(503)
Deferred tax charge for the period		<u>670</u>
Balance at 31 December 2022		<u>(475)</u>

20 Retirement benefits

Defined contribution schemes

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

The charge to the profit and loss in respect of defined contribution schemes was £6,682 (period to 31 March 2022: £8,013).

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

21 Share capital

	31 December 2022	31 March 2022
5,305 Ordinary shares at £1 per share	5,305	5,305
	<u>5,305</u>	<u>5,305</u>

22 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

Other reserves

Amount of capital contributed

REAL INSURANCE GROUP LIMITED

**NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

23 Operating leases

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

	31 December 2022	31 March 2022
Within one year	12,500	12,500
Between one and five years	27,500	40,000
In over five years	-	-
	<u>40,000</u>	<u>52,500</u>

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

24 Related party transactions

There are no related party transactions to disclose

25 Post balance sheet events

There are no post balance sheet events.

26 Controlling party

The Directors' consider GW375 Limited, whose registered office is 7th Floor Corn Exchange, 55 Mark Lane, London, United Kingdom, EC3R 7NE, to be the Company's immediate parent undertaking.

The parent company of the smallest Group to include the Company within its consolidated financial statements is Brown & Brown UK - GRP Limited. Copies of these consolidated financial statements are available from 7th Floor Corn Exchange, 55 Mark Lane, London, United Kingdom, EC3R 7NE.

The parent company of the largest Group to include the Company within its consolidated financial statements is Brown & Brown, Inc., a company registered in the United States of America. Copies of these consolidated financial statements are publicly available online

The ultimate controlling party is Brown & Brown, Inc.

REAL INSURANCE GROUP LIMITED

NOTES TO THE FINANCIAL ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

27 Subsidiaries

Details of the Company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
The Company has no subsidiaries				