Company Registration No. 8762354

DEVA VICTRIX HOLDINGS LIMITED

Report and Financial Statements

Year Ended 31 March 2023

DEVA VICTRIX HOLDINGS LIMITED

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OFFICERS AND PROFESSIONAL ADVISERS

Directors
H F Jaquiss
M R Preston
C S Fradley

Company secretary
J P Hooton

Registered office
Eaton Estate Office
Eccleston
Chester
England
CH4 9ET

Bankers
The Royal Bank of Scotland
Parklands, 3 De Havilland Way
Horwich
Bolton
BL6 4YU

Auditor
Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ

STRATEGIC REPORT

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006. This strategic report has been prepared for the group as a whole and therefore gives greater emphasis to those matters which are significant to Deva Victrix Holdings Limited and its subsidiary undertakings when viewed as a whole.

Principal activity
The group's principal activities are detailed below with the company's principal activity being that of a holding company.

Review of the business and future developments
The results are presented for the financial year ended 31 March 2023.

The current and prior years' results reflect the activity of the group's only trading subsidiary, Realty Insurances Limited (Realty). The principal activities of Realty were those of insurance intermediary and insurance advisors.

During the 2022/23 financial year, the senior leadership team at Realty was expanded and strengthened through several promotions and appointments. A comprehensive review of operations has been undertaken and a growth focussed strategy, underpinned by investment into delivery of a future-proofed, stable and sustainable operating platform, approved.

The group reported an operating profit of £2,057,000 (2022: £1,928,000) and profit on ordinary activities before taxation of £2,113,000 (2022: £1,928,000). Shareholders' funds for the group increased by £3,617,000 as a result of the post-tax profit of £1,467,000 and other comprehensive income of £2,150,000.

Key performance indicators
A target of 40% operating profit margin for Realty Insurances Limited has been set, and this has been achieved in both the current year (40.4%) and prior period (47.1%). Having approved Realty's forward strategic plan, the Directors of Realty have identified a broader range of KPI's for the coming financial year.

Principal risks and uncertainties
The management of the businesses and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the members of the group are noted below:

- **Financial Conduct Authority compliance**
  The group has implemented various controls and procedures in order to mitigate the risk of non-compliance with the regulatory framework. It is also very active in keeping up to date with any changes to the framework's requirements.

- **Credit Risk**
  Credit risk is managed by monitoring the exposure to single counterparties and to connected counterparties and ensuring that cash and investment holdings are kept with a number of different counterparties with appropriate credit ratings.

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

H F Jaquiss
Director

11th October 2023

DIRECTORS' REPORT

The directors present their annual report on the affairs of the group, together with the financial statements and auditor's report, for the year ended 31 March 2023.

The company's principal activity, review of the business and future developments and principal risk and uncertainties are presented in the strategic report.

Events after the balance sheet date
There have been no significant events affecting the group since 31 March 2023.

Going concern
To consider whether it is appropriate to prepare the financial statements on the going concern basis the directors have reviewed Realty's budget for the forthcoming year and its long term strategy for the business. The directors have also assessed the group's solvency and liquidity. After making these enquiries the directors have a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the foreseeable future. The going concern basis of accounting is therefore adopted in preparing these financial statements.

Financial risk management objectives and policies
The group's activities expose it to a number of financial risks including credit risk, liquidity and cash flow risk .

- **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 group is exposed to credit risk are amounts due from clients and insurers in respect of premiums already paid (funding) and cash holdings. The group monitors its exposure to single counterparties and to connected counterparties and ensures that its cash 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 group 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.

Results and dividends
The results for the year are set out in the consolidated profit and loss account on page 10. The profit for the year after taxation was £1,467,000 (2022: £1,647,000). The directors do not recommend the payment of a dividend (2022: £nil).

Directors
The directors who served during the year and to the date of this report were as follows:
H F Jaquiss
M R Preston
C S Fradley

DIRECTORS' REPORT (continued)

Statement of disclosure to the auditor
Each of the persons who is a director at the date of approval of this report confirms that:
(a) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
(b) the director has taken all reasonable steps that he/she 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 s418 of the Companies Act 2006.

Auditor
Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements are being put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Approval of reduced disclosures
The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS102 paragraphs 1.12. The company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company.

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

Helen F Jaquiss
Director

11th October 2023

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), 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 group, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVA VICTRIX HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Deva Victrix Holdings Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 23.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVA VICTRIX HOLDINGS LIMITED (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVA VICTRIX HOLDINGS LIMITED (continued)

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities including those specific to the company's business sector..

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVA VICTRIX HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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.

Georgina Robb FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

11 October 2023

CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Turnover	3	8,318	6,862
Cost of sales		(106)	(114)
Gross Profit		8,212	6,748
Other operating income		-	7
Administrative expenses		(6,155)	(4,827)
Operating profit		2,057	1,928
Net finance income	4	56	-
Profit on ordinary activities before taxation	5	2,113	1,928
Tax on profit on ordinary activities	8	(646)	(281)
Profit for the year		1,467	1,647

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Profit for the financial year		1,467	1,647
Re-measurement of net defined benefit scheme	15	2,867	1,534
Movement in deferred tax relating to defined benefit scheme	16	(717)	(631)
TOTAL COMPREHENSIVE INCOME		3,617	2,550

BALANCE SHEETS
AT 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Fixed assets					
Goodwill	9	2,589	3,882	-	-
Tangible assets	10	27	36	-	-
Investments: subsidiary undertakings	11	-	-	15,169	15,169
		2,616	3,918	15,169	15,169
Current assets					
Debtors	12	4,486	1,584	-	-
Cash at bank and in hand	13	34,214	12,385	5,901	2,914
		38,700	13,969	5,901	2,914
Creditors: amounts falling due within one year	14	(26,177)	(7,038)	(2,068)	(2,010)
Net current assets		12,523	6,931	3,833	904
Total assets less current liabilities		15,139	10,849	19,002	16,073
Non current liabilities					
Post employment benefits	15	-	-	-	-
Provisions for liabilities	16	(939)	(266)	-	-
Net assets		14,200	10,583	19,002	16,073
Capital and reserves					
Called up share capital	18	5,000	5,000	5,000	5,000
Profit and loss account		9,200	5,583	14,002	11,073
Shareholders' funds		14,200	10,583	19,002	16,073

The profit of the parent company for the year for Companies Act purposes is £2,929,000 (2022: £2,100,000). As permitted by Section 408 of the Companies Act, no separate statement of financial activities is presented in respect of the parent company.

These financial statements of Deva Victrix Holdings Limited, company registration number 8762354, were approved by the Board of Directors on 11th October 2023.

Signed on behalf of the Board of Directors

H Jaq

Helen F Jaquiss
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AT 31 MARCH 2023

	Called-up Share capital £'000	Profit and loss account £'000	Total £'000
At 1 April 2021	5,000	3,033	8,033
Profit for the financial year	-	1,647	1,647
Re-measurement of net defined benefit scheme	-	1,534	1,534
Movement in deferred tax relating to defined benefit scheme	-	(631)	(631)
Total comprehensive income	-	2,550	2,550
At 1 April 2022	5,000	5,583	10,583
Profit for the financial year	-	1,467	1,467
Re-measurement of net defined benefit scheme	-	2,867	2,867
Movement in deferred tax relating to defined benefit scheme	-	(717)	(717)
Total comprehensive income	-	3,617	3,617
At 31 March 2023	5,000	9,200	14,200

COMPANY STATEMENT OF CHANGES IN EQUITY
AT 31 MARCH 2023

	Called-up Share capital £'000	Profit and loss Account £'000	Total £'000
At 1 April 2021	5,000	8,973	13,973
Profit for the financial year	-	2,100	2,100
At 1 April 2022	5,000	11,073	16,073
Profit for the financial year	-	2,929	2,929
At 31 March 2023	5,000	14,002	19,002

CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2023

	Note	2023		2022	
		£'000	£'000	£'000	£'000
Net cash flows from operating activities	19		21,782		3,469
Cash flows from investing activities					
Purchase of fixed assets	10	(9)		(20)	
Interest received		56		-	
Net cash flows from investing activities			47		(20)
Net increase in cash and cash equivalents			21,829		3,449
Cash and cash equivalents at beginning of year			12,385		8,936
Cash and cash equivalents at end of year			34,214		12,385
Reconciliation to cash at bank and in hand:					
Cash at bank and in hand			34,214		12,385

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and previous year.

(a) General information and basis of accounting
Deva Victrix Holdings Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Deva Victrix Holdings Limited company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

(b) Basis of consolidation
The group's financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the acquisition method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

(c) Going concern
To consider whether it is appropriate to prepare the financial statements on the going concern basis the directors have reviewed Realty's budget for the forthcoming year and its long term strategy for the business. The directors have also assessed the group's solvency and liquidity. After making these enquiries the directors have a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the 12 months from signing of these accounts. The going concern basis of accounting is therefore adopted in preparing these financial statements.

(d) Intangible assets – goodwill
Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and amortised on a straight-line basis over its useful economic life, which the directors consider to be 10 years. Provision is made for any impairment.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

1. **Accounting policies (continued)**

(e) Tangible fixed assets
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Plant and equipment are depreciated on a straight line basis so as to spread the cost less residual value over their useful economic lives, at rates varying between 25% and 50% per annum.

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.

(f) Financial instruments
Financial assets and financial liabilities are recognised when the group 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 group after deducting all of its liabilities.

(i) 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

(f) Financial instruments (continued)

(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.

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

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

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 group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, 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.

(ii) Investments
In the company balance sheet, investments (including investments in associates and jointly controlled entities) are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

(iii) Fair value measurement
The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

1. Accounting policies (continued)

(f) Financial instruments (continued)

(iv) Equity instruments
Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(g) Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGU') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets
For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

1. Accounting policies (continued)

(h) 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 group companies, by means of group relief, is done so for no consideration.

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 group'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. When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

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.

(i) Turnover

Turnover, which is recognised on an accruals basis, comprises gross income net of VAT arising from insurance broking operations. Commissions and fees are recognised in the accounting period in which services are provided. In accordance with FRS 102 paragraph 23, the company defers a percentage of revenue to reflect post placement operations.

(j) Other operating income

Other operating income comprises fees received for a review of the insurance arrangements of certain customers.

1. Accounting policies (continued)

(k) Employee benefits

Defined benefit scheme

Realty Insurances Limited participates in a defined benefit plan that shares risks between entities under common control. A stated policy is in place for charging the net defined benefit cost of the defined benefit plan, as a whole measured in accordance with FRS102, to individual group entities. FRS 102 requires that the group recognises the net defined benefit cost of the defined benefit plan so charged.

The amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to profit or loss as part of the costs arising from employee services and is therefore also included within staff costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Defined contribution schemes

The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(l) Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability. Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the group'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 these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key source of estimation uncertainty - impairment of goodwill
Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date was £2,589k after an impairment loss of £nil was recognised during the year ended 31 March 2023.

Key source of estimation uncertainty - assessment of investment carrying values
The carrying values of investments in subsidiaries where the fair value cannot be reliably measured, are held at cost less provision for impairment. In assessing whether the investment carrying values are impaired the net assets of the investment and the business plans for each company are considered.

Revenue recognition
Commission and fees are recognised in the accounting period in which services are provided. In accordance with FRS102 paragraph 23, the group defer a percentage of revenue to reflect post placement obligations.

3. Turnover

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

4. Net finance income

	2023 £'000	2022 £'000
Bank interest receivable	56	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2023 £'000	2022 £'000
Depreciation of tangible fixed assets	18	16
Amortisation of goodwill	1,293	1,293
Operating lease rentals:		
Land and buildings	-	84

The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual financial statements	12	9
Fees payable to the company's auditor and its associates for other services to the group:		
The audit of the company's subsidiaries	53	29
Total audit fees	65	38

6. Information regarding employees

Employee costs during the year including directors:	2023 £'000	2022 £'000
Wages and salaries	2,439	1,937
Social security costs	295	250
Pension costs:		
Defined benefit schemes (note 20)	359	363
Defined contribution schemes (note 20)	157	84
	3,250	2,634

Average number of employees by business	**No.**	**No.**
Insurance broking	29	20

The employee costs above relate to those within the group. The company itself does not have any employees.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

7. Directors' remuneration

The directors are remunerated for their services across Grosvenor by other related entities within Grosvenor. It is not practical to allocate this between their services as directors of Deva Victrix Holdings Limited and their services as directors of other entities.

8. Tax on profit on ordinary activities

	2023 £'000	2022 £'000
Current tax on profit on ordinary activities		
UK corporation tax based on profit for the year	689	648
Adjustments in respect of prior years – UK corporation tax	1	(2)
Deferred tax	(44)	(365)
Total tax on profit on ordinary activities	646	281

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 19% (2022: 19%). The current tax for the year differs from the standard rate for the reasons set out in the following reconciliation:

	2023 £'000	2022 £'000
Group profit on ordinary activities before tax	2,113	1,928
Tax on group profit on ordinary activities at standard rate	401	366
Factors affecting the charge:		
Permanent differences for tax purposes	253	246
Unprovided deferred tax movement	-	(266)
Tax rate changes	(9)	(63)
Adjustments in respect of prior years	1	(2)
Group total tax charge for year	646	281

Deferred tax balances have been valued at the rate of 25% in these financial statements.

The Finance Act 2021 which was enacted on 10 June 2021, provides for an increase in the current UK standard rate of corporation tax to 25% from 1 April 2023. This will affect future tax charges after this date.

9. Intangible fixed assets – Group

	Goodwill £'000
Cost	
At 1 April 2022 and 31 March 2023	12,933
Amortisation	
At 1 April 2022	9,051
Charge for the year	1,293
At 31 March 2023	10,344
Net book value	
At 31 March 2023	2,589
At 31 March 2022	3,882

Goodwill is amortised in accordance with the group's accounting policy on a straight line basis over 10 years, with no charge in the year of acquisition.

The company did not have any intangible fixed assets.

10. Tangible fixed assets – group

	Property and Equipment £'000
Cost or valuation	
At 1 April 2022	113
Additions	9
At 31 March 2023	122
Depreciation	
At 1 April 2022	77
Charge for the year	18
At 31 March 2023	95
Net book value	
At 31 March 2023	27
At 31 March 2022	36

The company did not have any tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

11. Subsidiary undertakings

	£'000
Shares at cost	
At 1 April 2022 and 31 March 2023	17,647
Provisions for impairment	
At 1 April 2022 and 31 March 2023	(2,478)
Net book value	
At 31 March 2023	15,169
At 31 March 2022	15,169

The directors have reviewed the carrying value of the investments held by Deva Victrix Holdings Limited and considered whether any investments in subsidiaries are impaired by reference to the recoverable amounts. No impairment provision is required this year.

The subsidiary undertakings and their principal activities at 31 March 2023 were as follows:

	Principal activity	Owned %	Allotted share capital £
DVHL1 Limited *	Dormant	100	1,750
Realty Insurances Limited	Insurance broking	100	100,000
The Chester Grosvenor Hotel Limited *	Dormant	100	100
The Chester Grosvenor Spa Limited *	Dormant	100	100
Grosvenor Trust Finance Company Limited *	Dormant	100	1
Deva Victrix Management Services Limited *	Dormant	100	1
Grosvenor (Insurances) Limited *	Dormant	100	3
Deva GP Limited *	General Partner	100	2
Deva General Partner Limited *	General Partner	100	4
Deva General Partner (No2) Limited *	General Partner	100	27
Wheatsheaf General Partner Limited *	General Partner	100	20
Wheatsheaf General Partner (No2) Limited *	General Partner	100	40

Each of the above companies are incorporated in Great Britain and are directly held. All interests are in the form of £1 ordinary shares except DVHL1 Limited which passed a special resolution on 24 October 2017 to reduce the ordinary share capital to 175,000 1 pence shares. The registered office for each company is Eaton Estate Office, Eccleston, Chester, CH4 9ET except for Realty Insurances Limited which is registered at 70 Grosvenor Street, London, W1K 3JP.

* These subsidiaries have taken advantage of an exemption from audit under section 479A of the Companies Act. All subsidiary undertakings have been included in the consolidation.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

12. Debtors

Amounts falling due within one year	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade debtors	661	442	-	-
Prepayments and accrued income	79	91	-	-
	740	533	-	-

Amounts falling due after one year	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Post employment benefits (note 15)	3,746	1,051	-	-
	3,746	1,051	-	-

13. Cash at bank and in hand

Included within cash at bank and in hand on the balance sheet is £23,693,000 (2022: £6,085,000) held in separately designated Non-Statutory Trust Client Accounts in accordance with the Financial Conduct Authority's regulatory requirements.

14. Creditors: Amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade creditors	23,323	3,884	-	-
Other creditors	348	3	-	-
Amounts due to group companies	-	-	2,058	2,002
Corporation tax	393	353	-	-
Other taxes and social security	197	310	-	-
Accruals and deferred income	1,916	2,488	10	8
	26,177	7,038	2,068	2,010

15. Post employment benefits

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April	-	285	-	-
Charge to profit and loss accounts	172	198		
Credit to other comprehensive income	(2,867)	(1,534)	-	-
Movement in debtors falling due after more than one year (note 12)	2,695	1,051	-	-
At 31 March	-	-	-	-

16. Provisions for liabilities

	Group		Company	
Deferred tax	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April	266	-	-	-
Credit to profit and loss account	(44)	(365)	-	-
Charge to other comprehensive income	717	631	-	-
At 31 March	939	266	-	-

Deferred tax	Group		Company	
Deferred tax is provided for as follows	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fixed asset timing differences	936	262	-	-
Short term timing differences	3	4	-	-
At 31 March	939	266	-	-

17. Financial instruments

The carrying values of the group's financial assets and liabilities are summarised by category below:

	2023	2022
Financial assets	£'000	£'000
Measured at amortised cost		
- Trade debtors (note 12)	661	442
Financial liabilities		
Measured at amortised cost		
- Trade creditors (note 14)	23,323	3,884
- Other creditors (note 14)	348	3
	23,671	3,887

18. Called up share capital and reserves

Company and group	**Number of shares**	**£'000**
At 31 March 2023 and 31 March 2022		
Equity interests – called-up, issued and fully paid ordinary shares of £1 each	5,000,001	5,000

Rights of classes of shares
The company has one class of ordinary shares which carry no right to fixed income.

The group and company profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

19. Net cash flow from operating activities

Reconciliation of operating profit to net cash flows from operating activities:

	2023	**2022**
	£'000	**£'000**
Operating profit	2,057	1,928
Adjustment for:		
Depreciation	18	16
Amortisation	1,293	1,293
Tax paid	(650)	(586)
Operating cash flow before movement in working capital	2,718	2,651
(Increase)/Decrease in debtors	(263)	20
Increase in creditors	19,155	600
Adjustment for pension funding	172	198
Net cash flows from operating activities	21,782	3,469

20. Employee benefits

Defined contribution schemes
The group operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the year was £157,000 (2022: £84,000).

Defined benefit schemes
Realty Insurances Limited participates in a defined benefit plan that shares risks between entities under common control. The agreement for charging the net defined benefit cost of the plan and the policy for determining the contribution by entity is based on the accrued benefit of the current and former employees of that entity.

The analysis in note 21 relates to the Grosvenor Pension Plan ("the plan") as a whole, measured in accordance with FRS102 on the basis of assumptions that apply to the plan as a whole, including that element that relates to non-company employees.

The plan is open to qualifying employees of the group and other Grosvenor entities. Under the plan, the employees are entitled to retirement benefits based on service of final salary on attainment of a retirement age of 65. No other post-retirement benefits are provided. The plan is a funded plan. This includes the amount and timing of the future payments to be made by the entity under any agreement with the defined benefit plan to fund a deficit (such as a schedule of contributions).

The most recently completed triennial valuation was carried out as at 31 December 2020 by the scheme actuary and this has been updated to 31 March 2023 using updated assumptions. The underlying data resulting from this triennial valuation, together with the key assumptions as set out below, have been used to produce the accounting valuation herein.

The pensions service cost charged to profit or loss in the year ended 31 March 2023 was £359,000 (2022: £363,000).

21. Retirement benefit schemes

	Valuation at 2023	2022
Key assumptions used:		
Discount rate	4.61%	2.83%
Expected rate of future pension increases	3.28%	3.63%
Expected rate of salary increases	3.26%-3.76%	3.6%-4.1%
Inflation	3.28%	3.63%

Mortality assumptions:
The assumed life expectations on retirement at age 65 are:

	Valuation at 2023 years	2022 years
Retiring today:		
Males	23.9	23.8
Females	26.3	26.1
Retiring in 20 years:		
Males	25.6	25.4
Females	27.9	27.7

Profit and loss account amounts for the Grosvenor Pension Plan as a whole are as follows:

	2023 £'m	2022 £'m
Current service cost	10.1	11.6
Net interest cost	(1.0)	0.1
	9.1	11.7

Recognised in other comprehensive income for the scheme as a whole:

	2023 £'m	2022 £'m
Actual return less expected return on assets	(21.6)	23.5
Changes in assumptions underlying liabilities	112.2	26.8
Total gains relating to defined benefit scheme	90.6	50.3

The balance sheet amounts for the Grosvenor Pension Plan as a whole are as follows:

	2023 £'m	2022 £'m
Present value of defined benefit obligations	(234.3)	(334.2)
Fair value of scheme assets	354.3	368.1
Net asset	120.0	33.9

21. Retirement benefit schemes (continued)

Movements in the present value of defined benefit obligations for the entire scheme were as follows:

	2023 £'m	2022 £'m
At 1 April	334.2	348.2
Employer's part of current service cost	10.1	11.6
Interest on plan liabilities	9.4	7.4
Actuarial gains	(112.1)	(26.8)
Benefit payments	(7.3)	(6.2)
At 31 March	234.3	334.2

Movements in the fair value of scheme assets were as follows:

	2023 £'m	2022 £'m
At 1 April	368.1	339.0
Interest on plan assets	10.4	7.3
Actual return on plan assets less interest on plan assets	(21.6)	23.5
Contributions by the employer	4.7	4.5
Benefit payments	(7.3)	(6.2)
At 31 March	354.3	368.1

The analysis of the scheme assets at the balance sheet date was as follows:

	Fair value of assets	
	2023 £'m	2022 £'m
Equity instruments	145.9	291.5
LDI/liquidity	112.8	-
Corporate bonds	-	34.9
Multi asset credit funds	90.4	32.6
Other assets	5.2	9.1
	354.3	368.1

The scheme does not invest directly in property occupied by the Grosvenor Group or in financial securities issued by the Grosvenor Group. The scheme's assets are invested in a diversified range of assets.

NOTES TO THE FINANCIAL STATEMENTS
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22. Ultimate controlling parties and related party transactions

The company is wholly owned by a Grosvenor Trust.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

The group arranges insurance cover on an arm's length basis for certain directors, members of the Grosvenor Family and Grosvenor Trusts through its insurance broking subsidiary. Aggregate premiums paid in the year were £1,574,302 (2022: £1,635,255). In addition, insurance premiums were paid by other related parties to the group of £28,082,864 (2022: £22,499,651).

Management charges totalling £49,857 (2022: £90,000) were paid by group companies to a Grosvenor Trust. At 31 March 2023, group companies owed the Trust £34,107 (2022: £nil).

Rent and management charges totalling £667,325 (2022: £244,707) were paid to companies within Grosvenor Group Limited. At 31 March 2023 group companies owed £197,718 (2022: £nil) to these companies.

Realty Insurances Limited has also provided a £2,000,000 loan facility to Deva Victrix Holdings Limited which incurs interest at a rate of 0.5% above base rate. At 31 March 2023 loans drawn totalled £2,000,000 (2022: £2,000,000).

23. Post balance sheet events

There have been no significant events affecting the group since 31 March 2023.