REGISTERED NUMBER: 02338540 (England and Wales)

Strategic Report, Report of the Directors and

Audited Financial Statements for the Year Ended 31 December 2021

for

Sesame Services Limited

Contents of the Financial Statements
for the Year Ended 31 December 2021

Company Information
for the Year Ended 31 December 2021

DIRECTORS:	S L Batham M L F Golunska S J Harris R J Howells
SECRETARY:	J Vince
REGISTERED OFFICE:	Aviva Wellington Row York YO90 1WR
REGISTERED NUMBER:	02338540 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP No 1 Spinningfields 1 Hardman Square Manchester M3 3EB

The directors present their strategic report of Sesame Services Limited (the "Company") for the year ended 31 December 2021.

REVIEW OF BUSINESS

Principal activities

The Company is a member of the Sesame Bankhall group of companies. Sesame Bankhall Group ("SBG") forms part of the Aviva plc group of companies.

The principal activity of the Company is to provide services and administration to SBG and to employ the staff who are engaged in the activities undertaken by SBG.

Significant events

During 2021 the COVID-19 pandemic continued to disrupt the UK economy. SBG continued to be affected by the disruption caused to the operations of financial product providers, the availability of financial products from these providers, changes to provider lending criteria, and the general disruption caused by restrictions on travel and social interactions. However, the impact of these challenges was mitigated by positive factors including the effect of Government market stimulus and the temporary reduced rates of Stamp Duty Land Tax. The combined effect of government stimulus, the proactive approach of member and client advisory firms, the commitment of SBG staff, and management actions have allowed the Company and SBG to avoid any significant financial impact from the pandemic.

From a financial perspective, management completed detailed analysis and stress testing of the capital and liquidity position of SBG and its subsidiaries throughout the pandemic to ensure all entities were well placed to manage any potential financial impact. The actual financial impact of the pandemic on SBG and the Company has been insignificant.

The Company has continued to provide resources to SBG during the year. Income from management charges received was £24.3m (2020: £21.1m). The increase in management charge income year on year was due to an increase in the total rechargeable operating costs incurred by SBG during the year.

Financial position and performance

The financial position of the Company at 31 December 2021 is shown in the Balance Sheet on page 17, with the trading results shown in the Income Statement on page 15.

The Company's net assets have decreased by £1.21m (2020: £0.95m increase) due to the dividend paid offsetting the profit for the financial year.

Revenue for the year of £25.66m (2020: £22.33m) was consistent with management's expectations. Revenue includes reciprocation fees received of £1.3m (2020: £1.1m) from Sesame Bankhall Valuation Services Limited, a subsidiary undertaking.

The Company has contracts with product providers to provide certain marketing and professional services. The Financial Conduct Authority ("FCA") requires that any such income received from product providers is only the minimum necessary to recover the direct costs incurred by the advisory firm and therefore the Company operates a "cost recovery" approach for services rendered.

An interim dividend of £2.75m was distributed during the year ended 31 December 2021 (2020: £nil).

REVIEW OF BUSINESS - continued

Section 172(1) Statement and our Stakeholders
The directors report here on how they have discharged their duties under Section 172 of the Companies Act 2006.

Section 172 sets out a series of matters to which the directors must have regard to in performing their duty to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders. Where this statement draws upon information contained in other sections of the Strategic report, this is signposted accordingly.

The Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for monitoring and upholding the culture, values, standards, ethics and reputation of the Company to ensure that our obligations to our shareholder, customers and other stakeholders are met and Management drives the embedding of the desired culture throughout the organisation. The Board monitors adherence to our policies and compliance with local corporate governance requirements and is committed to acting where our businesses fall short of the standards we expect.

For each matter which comes before the Board, stakeholders who may be affected are identified and their interests are carefully considered as part of the Board's decision-making process.

The Board is also focused on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

Our culture
The Company and SBG's culture are shaped, in conjunction with SBG's parent company, Aviva Life Holdings UK Limited, and its ultimate shareholder Aviva plc by jointly held and clearly defined values to help ensure it does the right thing.

SBG seeks to earn stakeholders' trust by acting with integrity and responsibility at all times. The Company looks to build relationships with all our stakeholders based on openness and continuing dialogue.

The Company values diversity and inclusivity in its workforce and beyond by creating an inclusive and supportive working environment, that enables the attraction and retention of a diverse work force, who are able to reach their full potential.

SBG has an established Inclusion Council which encompasses a group of colleagues from across the business who have a desire to support SBG to achieve its inclusion ambitions. The aim of this council is to be a driver of change and to make a difference for our people, advisers and their customers, by placing diversity and inclusion at the core of who we are and what we do.

Aviva has committed to be a Net Zero company by 2040 and has set the targets of being net-zero in operations, and to have cut the carbon intensity of its investment by 60%, by 2030. SBG is committed to assisting Aviva achieve these ambitious targets and in improving the sustainability of the Company's operations.

REVIEW OF BUSINESS - continued

Key strategic decisions, announcements, and achievements in 2021

For each matter that comes before the Board, the Board considers the likely consequences of any decision in the long term, identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision-making process.

SBG continues to invest in the Sesame, Bankhall and PMS brands to ensure that advisers are able to respond to future changes and market opportunities with the ultimate aim of making a positive difference to the financial well-being of UK consumers.

Key strategic decisions made, initiatives implemented, and other announcements made during 2021 included the following:
- On 10 September 2021, World Suicide Prevention Day, SBG launched an adviser guide on suicide prevention developed by Action for Suicide Prevention in Insurance (Aspiin) in partnership with the Protection Distributors Group and SBG.
- On 20 December 2021 it was announced SBG had re-joined adviser body PIMFA as part of its aim to take a more active stance as a voice for advisers in the market.

In addition to specific adviser related initiatives during 2021 SBG made the following changes to its Executive Team and senior management structure:
- On 1 February 2021 S Batham, General Counsel, was promoted to the Executive Team as General Counsel and Chief Risk Officer.

On 3 June 2021 C Ross was appointed to the new role of Proposition Director, heading a newly formed Propositions Team created to support the growth of services SBG offers to advisers across all brands and including wealth, mortgages, protection and specialist lending areas.

During 2021 SBG and its staff won the following awards:
- SBG won the Diversity Award at the Money Age Awards.

During 2021 SBG and its staff were also nominated as finalists for the following awards:
- FT Diversity in Finance Awards: Championing Gender Equality (SBG)
- Financial Reporter Women's Recognition Awards: Woman in Specialist Lending (S Charman)
- Professional Adviser Women in Financial Advice Awards: Marketing Influencer of the Year (L Martin)
- Money Age Awards: Marketing Campaign of the Year (SBG)
- PIMFA Diversity & Inclusion Awards: Wellbeing Award (SBG)
- Women in Insurance Awards: Role Model of the year (K Simmons, E Thomson, M Golunska, and J Reid)
- Mortgage Introducer Awards: Mortgage Distributor of the Year (SBG)

REVIEW OF BUSINESS - continued

Stakeholder Engagement

(i) Employees
As the SBG service company the Company employs the majority of employees engaged in the activities of SBG. Our people's well-being and commitment to serving our stakeholders is essential for our long-term success.

SBG's reward approach is designed to attract, motivate and retain high quality colleagues, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance, contribution or experience. SBG is committed to equality of remuneration practices which is demonstrated through a variety of pledges.

SBG operates a consistent and robust performance management process to ensure that all colleagues are recognised and rewarded fairly in the context of individual performance. Personal development is actively encouraged through a variety of learning initiatives. Employees are encouraged to progress their careers internally and two new talent management programmes were launched during the year. SBG's competitive benefits package, which offers a range of contractual and voluntary benefits, is regularly enhanced and promotes the wellbeing of colleagues.

The Company's engagement mechanisms include employee forums, internal communication channels, informal meetings with the directors, and colleague engagement surveys. Employees have opportunities to voice their opinion and ask questions through Group wide question and answer sessions with the Group Chief Executive Officer and members of the Executive Team as well as Listening, Wellbeing, and D&I surveys, which are open to all employees. Face-to-face briefings and team meetings are actively encouraged and are held both face to face and virtually.

The SBG Executive Team and Board hold strategy days throughout the year at which colleagues, when required, join them to provide 'on the ground' insight into the business.

SBG carries out a comprehensive employee engagement survey each year, and the results are considered by the Board in the context of the Company's culture, values and behaviours and actions to continually improve the results are discussed and agreed.

SBG is committed to providing equal opportunities to all employees, irrespective of their gender, sexual orientation, marital status, race, nationality, ethnic origin, disability, age, religion or union membership status. SBG is an inclusive employer and values diversity in its employees. These commitments extend to recruitment and selection, training, career development, flexible working arrangements, promotion and performance appraisal. Our 2021 gender pay gap results showed a significant improvement in both the mean and median gender pay gap, as well as a significant reduction in the mean bonus pay gap. SBG has a significant proportion of female leaders, including Executive and Board level.

SBG is committed to making reasonable adjustments for our people and also for candidates who are interested in working for us.

The Group remains focussed on employee health and wellbeing, supporting colleagues physical, mental, financial and social wellbeing.

SBG has three key community partners including Step Change (Debt charity), St Ann's (hospice) and Turn Your Concern into Action (educational support).

The Group also ensures that involvement for employees in its performance is encouraged by allowing eligible employees to participate in the Aviva Group's Save As You Earn Plan. There are also Executive share schemes in place for senior employees.

Following an extended period of home working linked to the Covid-19 pandemic, both SBG offices were re-designed to welcome back colleagues into a working environment that supported flexible working styles. A 'Flexible Office Working Policy' has been successfully embedded to offer flexibility and hybrid working arrangements to all office-based colleagues. SBG did not furlough anyone under the Coronavirus Job Retention Scheme.

REVIEW OF BUSINESS - continued

Stakeholder Engagement

(ii) Customers and clients
The SBG Board receives regular reporting on stakeholder outcomes and has utilised feedback, especially adverse points, to develop actions to improve communication, service, support and guidance, technology, and access to providers, lenders and products as a result of this feedback.

The SBG Board receives regular reporting on strategic initiatives throughout the year, undertaking deep dives into areas that impact advisers and their customers in order to re-align strategy where applicable. The SBG Board is supported by the SBG Executive Team, led by the Chief Executive Officer, to closely monitor management information, and subsequently engage with the senior leaders to address any issues that may arise from complaints, feedback and our approach to Treating Customers Fairly.

(iii) Suppliers
All SBG supplier related activity is managed in line with the Aviva Group Procurement & Outsourcing Business Standard. This ensures that supply risk is managed appropriately including in relation to customer outcomes, data security, corporate responsibility, financial, operational, contractual, and brand damage caused by inadequate oversight or supplier failure.

The Aviva plc Board reviews the actions the Aviva Group, including SBG, has taken to prevent modern slavery and associated practices in any part of the Aviva Group supply chain and approves the Aviva Group's Modern Slavery Act statement each year.

In the UK, the Company's ultimate parent, Aviva plc, is a signatory of the Prompt Payment Code which sets standards for high payment practices.

The Aviva Group, including SBG, is a Living Wage employer in the UK, and the Company's supplier contracts include a commitment by the supplier to pay their eligible employees not less than the Living Wage in respect of work provided to the Company at its premises in the UK.

The SBG Supplier Management Forum is closely involved in the management of the Company's most critical or important suppliers, and regularly review reports on their performance.

(iv) Communities
As a business the Company has a responsibility to our environment and local communities. The Company and SBG attempt to participate in activities that benefit society, such as reducing the Company's carbon footprint, supporting social or charitable causes, and enforcing ethical labour practices.

Recognising climate change presents risk and opportunities for customers, communities and business, Aviva is signed up to the United Nations Net-Zero Asset Owner Alliance commitment. As part of the Aviva Group, SBG is committed to Aviva's long-term strategy to reach net zero by 2040, and to support achieving this target the Aviva Group has defined climate risk preferences and operating risk limits. The Aviva plc Board approved the adoption of the new climate risk preferences during the year, along with its 2021-2023 Plan which takes the new climate risk preferences into consideration. SBG is committed to helping Aviva achieve these ambitious targets and in improving the sustainability of the Company's operations.

SBG continues to support the local community and charities close to employee's hearts with regular fundraising activity completed during 2021.

The SBG Corporate Social Responsibility policy includes a 'voluntary hours' process, committing a total of 150 hours per year to enable employees to gain invaluable experience and skills, relative to the business, whilst supporting a good cause of their choice.

REVIEW OF BUSINESS - continued

Stakeholder Engagement

(v) Shareholders
The Company's ultimate shareholder is Aviva plc and there is ongoing communication and engagement with the SBG parent entity, Aviva Life Holdings UK Limited. Any matters requiring escalation are escalated by the Board to its parent. Additionally, members of the Aviva Life Holdings UK Limited board can attend SBG Board meetings by invitation.

(vi) Our regulators
SBG maintains a close relationship with the Financial Conduct Authority ("FCA") both directly and via its relationship with Aviva. SBG notifies FCA of any material issues that FCA would reasonably expect notice of via its own internal processes, in conjunction with Aviva UK Life's Compliance Team.

Future outlook

The strategic direction of the Company and SBG as a whole is set by the directors of the Company. The directors expect that the Company's principal activities will continue unchanged in the coming year.

Through its trading subsidiaries SBG will continue to support network and directly authorised advisers to ensure they are able to respond to future challenges and market opportunities as they arise whilst also responding to the changing requirements of UK consumers. An emerging trend in the market is the acquisition of advice firms by larger advice businesses and Private Equity. This is being closely monitored as it creates opportunities and threats for SBG as services and established propositional preferences of acquired firms could change.

SBG will continue to build on its market leading propositions with the refinement of existing services and with the introduction of new and innovative products and propositions across its brands. This refinement and innovation will be achieved by leveraging the strength of SBG and will be designed to address emerging consumer needs, the changing demographic of consumers seeking financial advice, and the requirements of individual firms and advisers. SBG will also continue to develop and introduce technological innovations in the delivery of its services whilst ensuring the quality of services delivered and customer outcomes.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks faced by the Company are that its investments will decrease in value and not generate returns, that income from third parties will decrease, and that group companies will require significant changes in service requirements at short notice impacting management charge income received.

The Company monitors the performance of the other group companies and works closely with external parties to maintain levels of income and therefore minimise risks to the Company.

COVID-19 continued to present uncertainty in 2021. Since the start of the pandemic the primary focus of the Company and SBG has been on the operational readiness and safety of our staff, such that we continue to deliver on our promises. Our scale, diversity, and the strength of our entity balance sheets allowed us to meet all short-term challenges as they arose during 2020 and 2021 and will continue to do so in future periods. From a financial perspective COVID-19 has so far not had a significant impact on the Company or SBG however the effects of the pandemic continue to present unprecedented uncertainty that may adversely impact the results of the Company.

KEY PERFORMANCE INDICATORS

The Board monitors the performance of the Company using a number of financial and non-financial performance measures. A number of these for the Company are set out in these financial statements and are shown below.

	2021	2020
	£'000	£'000
Turnover	25,656	22,327
Operating profit	1,351	789
Profit before taxation	1,351	802
Profit for the financial year	1,539	948
Net assets	13,592	14,803

Non-financial KPIs include risk metrics which are reported and reviewed at the Executive Risk Committee and are subsequently reported to the SBG Board Risk Committee.

Given the nature of the business, its performance is linked to the service requirements of other SBG companies. The Company's directors are of the opinion that further analysis using key performance indicators, other than monitoring staffing levels, is not necessary for the understanding of the development, performance or position of the business.

ON BEHALF OF THE BOARD:

M. Golunska

M L F Golunska - Director

28 July 2022

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2021.

Certain information that is required in the Report of the Directors under the Companies Act has been disclosed in the Strategic Report on page 2.

DIVIDENDS
An interim dividend of £0.491 per share (2020: £nil) was paid during the year. The directors recommend that no final dividend be paid.

The total distribution for the year ended 31 December 2021 was £2.75m (2020: £nil).

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report:

M L F Golunksa
R S Howells
S J Harris

Changes in directors holding office in the period from 1 January 2021 to the date of this report are as follows:

J A Sadler - resigned 9 March 2021
S L Batham - appointed 9 March 2021

COMPANY SECRETARY
Aviva Company Secretarial Services Limited resigned as Company Secretary on 1 September 2021 and J Vince was appointed as Company Secretary on 1 September 2021.

DIRECTORS AND OFFICERS - INDEMNITY AND INSURANCE
The directors have the benefit of the indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in section 234 of the Companies Act 2006.

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985, which continue to apply in relation to any provision made before 1 October 2007. This indemnity is a "qualifying third party indemnity" for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third-party indemnity provisions remain in force as at the date of approving the Report of the Directors by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

POLITICAL AND CHARITABLE DONATIONS
The Company has a policy not to make political donations. Charitable donations of £17,317 were made in the year ended 31 December 2021 (2020: £6,117).

GOING CONCERN
The Company has a net asset position and a cash surplus, and it is forecast to be profitable in future periods with positive cash flows. As a result, the directors believe that the Company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Consequently, they continue to adopt the going concern basis of accounting in the preparation of the annual financial statements.

APPROACH TO FINANCIAL RISK MANAGEMENT

The directors are responsible for the financial risk management process and for the review, challenge and approval of its reported financial position. Suitable policies and procedures have been adopted by the Company in order to ensure an appropriate level of risk management is directed at the relevant elements of the business.

Liquidity risk

Liquidity risk is the risk that a firm, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can only secure such resources at excessive cost. The Company has a minimal exposure to liquidity risk due to the controls put in place by the directors and the majority of its income originating from fellow SBG companies.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make reasonable and prudent judgements and accounting estimates;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 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 Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In accordance with section 418 of the Companies Act 2006, the directors in office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditors, PricewaterhouseCoopers LLP (PwC), is unaware and each director has taken all steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that PwC is aware of that information.

INDEPENDENT AUDITORS

Under the Competition and Markets Authority Regulations, the Company's ultimate parent Company, Aviva plc is required to tender for the provision of the external audit every 10 Years. PwC was appointed for the first time for the 31 December 2012 financial year end and therefore a mandatory re-tender was required for the year ending 31 December 2022. Following a full and rigorous competitive tender process, which was overseen by the Company's Audit Committee, the selection of EY was approved by the Aviva plc Board. PwC will continue in its role and, subject to reappointment by the Company's shareholders at the 2022 and 2023 Annual General Meetings, will undertake the audit for the financial years ending 31 December 2022 and 2023.

ON BEHALF OF THE BOARD:

M. Golunska

M L F Golunska - Director

28 July 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion
In our opinion, Sesame Services Limited's financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Income Statement, Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern
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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

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

Reporting on other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - continued

Strategic report and Report of the Directors
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements
As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of Companies Act or tax legislation in regard the intercompany recharges and their recognition, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed by the engagement team included:

- Testing of journal entries based on specific risk criteria back to corroborating evidence; and
- Discussions with management and those charged with governance to identify any known or suspected instances of non-compliance with laws and regulation and fraud.

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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - continued

Responsibilities for the financial statements and the audit - continued

Use of this report
This report, including the opinions, has been prepared for and only for the Company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:
- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

James Wilkinson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

28 July 2022

Income Statement
for the Year Ended 31 December 2021

	Note	2021 £'000	2020 £'000
TURNOVER	3	25,656	22,327
Cost of sales		(17,705)	(16,249)
GROSS PROFIT		7,951	6,078
Administrative expenses		(6,600)	(5,289)
OPERATING PROFIT		1,351	789
Interest receivable and similar income	5	-	13
PROFIT BEFORE TAXATION	6	1,351	802
Tax on profit	7	188	146
PROFIT FOR THE FINANCIAL YEAR		1,539	948

The notes on pages 19 to 31 form part of these financial statements

Statement of Comprehensive Income
for the Year Ended 31 December 2021

	2021 £'000	2020 £'000
PROFIT FOR THE FINANCIAL YEAR	1,539	948
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,539	948

The notes on pages 19 to 31 form part of these financial statements

Sesame Services Limited (Registered number: 02338540)

Balance Sheet
As at 31 December 2021

	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
FIXED ASSETS					
Tangible assets	9		838		1,016
Investments	10		8		8
			846		1,024
CURRENT ASSETS					
Debtors	11	12,152		10,940	
Cash at bank and in hand		7,601		11,405	
		19,753		22,345	
CREDITORS					
Amounts falling due within one year	12	(6,570)		(6,786)	
NET CURRENT ASSETS			13,183		15,559
TOTAL ASSETS LESS CURRENT LIABILITIES			14,029		16,583
PROVISIONS FOR LIABILITIES	14		(437)		(1,780)
NET ASSETS			13,592		14,803
CAPITAL AND RESERVES					
Called up share capital	15		5,599		5,599
Retained earnings	16		7,993		9,204
TOTAL SHAREHOLDERS' FUNDS			13,592		14,803

The financial statements were approved by the Board of Directors and authorised for issue on 28 July 2022 and were signed on its behalf by:

M. Golunska

M L F Golunska - Director

The notes on pages 19 to 31 form part of these financial statements

Sesame Services Limited (Registered number: 02338540)

Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2020	5,599	8,256	13,855
Changes in equity			
Profit for the financial year and total comprehensive income	-	948	948
Balance at 31 December 2020	5,599	9,204	14,803
Changes in equity			
Dividends	-	(2,750)	(2,750)
Profit for the financial year and total comprehensive income	-	1,539	1,539
Balance at 31 December 2021	5,599	7,993	13,592

The notes on pages 19 to 31 form part of these financial statements

1. ACCOUNTING POLICIES

Reporting entity
Sesame Services Limited is a private company limited by shares. The Company is incorporated in the United Kingdom, registered in England and Wales, and domiciled in the United Kingdom. The Company's registered office is Aviva, Wellington Row, York, YO90 1WR.

Basis of preparation
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
  the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

Exemption from preparing consolidated financial statements
The financial statements contain information about Sesame Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it, and its subsidiary undertakings, are included by full consolidation in the consolidated financial statements of its ultimate parent company, Aviva plc, a company incorporated in Great Britain and registered in England and Wales.

New standards, interpretations and amendments to published standards that have been adopted by the Company
No new standards relevant to the Company became effective for the annual reporting period beginning on 1 January 2021.

continued...

1. **ACCOUNTING POLICIES - continued**

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company
The following new standards have been issued, are not yet effective, and are not expected to have a significant impact on the Company's financial statements:
- IFRS 17, Insurance Contracts - IFRS 17 is a comprehensive new accounting standard for insurance contracts, effective from 1 January 2023, which predominantly affect the timing of profit recognition for long term insurance contracts.

Going concern
The Company has a net asset position and a cash surplus, and it is forecast to be profitable in future periods with positive cash flows. As a result, the directors believe that the Company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Consequently, they continue to adopt the going concern basis of accounting in the preparation of the annual financial statements.

Turnover
Turnover is comprised mainly of management charges receivable from other group companies for the provision of services. There is no cost-plus arrangement with group companies in respect of the management charge.

Turnover also includes income relating to the development and sale of software for financial advisers. Turnover from advertising contracts is recognised as the work is performed. Electronic data interchange and remote processing services (transaction processing) are recognised as the work is performed. Professional services, such as implementation, training and consultancy, are recognised when the services are performed. Turnover represents invoiced value net of value added tax and/or trade discounts. All turnover relates to sales in the United Kingdom.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery - Straight line over 3 years

continued...

1. **ACCOUNTING POLICIES - continued**

Income taxes
The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to components of other comprehensive income and equity as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The rates enacted or substantively enacted at the Balance Sheet date are used to value the deferred tax assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Where there is a history of tax losses, deferred tax assets are only recognised in excess of deferred tax liabilities if there is convincing evidence that future profits will be available.

Deferred tax is provided on any temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not provided in respect of any temporary differences arising from the initial recognition of goodwill, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting profit nor taxable profit or loss at the time of the transaction.

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively, except for the tax consequences of distributions from certain equity instruments, to be recognised in the income statement.

Deferred tax related to any fair value re-measurement of available for sale investments, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the Balance Sheet as a deferred tax asset or liability.

Employee benefit costs
The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the year to which they relate.

continued...

1. ACCOUNTING POLICIES - continued

Long term incentive plans
Directors of the Company hold share options relating to the ultimate parent undertaking, Aviva plc, granted under Aviva plc group share schemes.

These Annual Bonus Plan (ABP) and Restricted Stock Units (RSU) schemes are managed by Aviva Employment Services Limited. The costs associated with the share options awarded are recognised in the managing company and then recharged to relevant individual legal entities within Aviva plc. Each scheme has a three-year vesting period requiring continued employment by the group.

ABP and RSU fair values are reviewed and calculated by an external independent specialist. The fair values of ABP and RSU awards, which are not subject to Total Shareholder Return market performance conditions, are calculated with reference to the share price at grant date as these awards entitle the holder to dividend rights prior to vesting.

ABP and RSU schemes are treated as cash settled by the Company as it is effectively the Company which grants the award under existing employment contracts. The existing ABP and RSU schemes will be settled by other Aviva plc companies, rather than the Company, and therefore any charge recognised by the Company relating to these schemes will be treated as a capital contribution.

Provisions for liabilities and charges
The Company has recognised provisions for future costs that it expects to incur as a result of transactions, actions or commitments that had taken place at the balance sheet date. The dilapidations provision is recognised based on estimated costs payable at the end of relevant leases. The other provisions held are discussed further in the notes to the financial statements.

Leases
Where the Company is the lessee, a lease liability equal to the present value of outstanding lease payments and a corresponding right-of use asset equal to cost are initially recognised. The right-of-use asset is subsequently measured at amortised cost and depreciated on a straight-line basis over the length of the lease term. Depreciation on lease assets and interest on lease liabilities is recognised in the Income Statement.

The Company has made use of the election available under IFRS 16 to not recognise any amounts on the Balance Sheet associated with leases that are either deemed to be short term, or where the underlying asset is of low value. A short-term lease in this context is defined as any arrangement which has a lease term of 12 months or less. Lease payments associated with such arrangements are recognised in the Income Statement as an expense on a straight-line basis. The Company's total short term and low value lease portfolio is not material.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. There are no critical accounting estimates within the financial statements.

continued...

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by class of business is given below:

	2021	2020
	£'000	£'000
Management charges receivable	24,304	21,142
Software development and sale	33	22
Professional services	1,319	1,163
	25,656	22,327

4. EMPLOYEES AND DIRECTORS

The costs of employees directly employed by the Company during the year were as follows:

	2021	2020
	£'000	£'000
Wages and salaries	13,423	12,407
Social security costs	1,615	1,594
Other pension costs	645	671
	15,683	14,672

The average monthly number of employees during the year was as follows:

	2021	2020
Administrative staff	242	231
Sales staff	17	16
	259	247

The Company employs and remunerates SBG directors and apportions their emoluments between certain SBG companies. This recharge of directors' emoluments was based on an estimate of the share of directors' services provided to each company.

Directors' emoluments charged to the Company during the year were:

	2021	2020
	£'000	£'000
Aggregate emoluments	213	389
Other pension costs	16	13
	229	402

The number of directors accruing benefits under pension schemes during the year was:

	2021	2020
Money purchase pension scheme	3	4

continued...

4. **EMPLOYEES AND DIRECTORS - continued**

SBG does not participate in a defined benefit pension scheme and therefore no costs relating to such schemes has been incurred.

The total remuneration paid to SBG directors by the Company, including amounts recharged to other SBG companies, is as follows:

	2021	2020
	£'000	£'000
Aggregate emoluments	1,651	1,501
Other pension costs	51	48
	1,702	1,549

Emoluments paid to the highest paid SBG director were:

	2021	2020
	£'000	£'000
Aggregate emoluments of the highest paid director	150	209
Pension contributions in respect of the highest paid director	12	12

Included within the cost of employees disclosed above are amounts relating to share options from the ultimate parent undertaking, Aviva plc, granted to directors and senior management under the following Aviva plc group share schemes:
- Annual Bonus Plan 2018
- Restricted Stock Units award 2018
- Annual Bonus Plan 2019
- Restricted Stock Units award 2019
- Annual Bonus Plan 2020
- Restricted Stock Units award 2020
- Annual Bonus Plan 2021
- Restricted Stock Units award 2021

These Annual Bonus Plan (ABP) and Restricted Stock Units (RSU) schemes are managed by Aviva Employment Services Limited. The costs associated with the share options awarded are recognised in the managing company and then recharged to relevant individual legal entities within Aviva plc. Each scheme has a three-year vesting period requiring continued employment by the group.

ABP and RSU fair values are reviewed and calculated by an external independent specialist. The fair values of ABP and RSU awards, which are not subject to Total Shareholder Return market performance conditions, are calculated with reference to the share price at grant date as these awards entitle the holder to dividend rights prior to vesting. The total fair value of the share options awarded by the Company at the Balance Sheet date was £910,947 (2020: £757,951).

ABP and RSU schemes are treated as cash settled by the Company as it is effectively the Company which grants the award under existing employment contracts. The existing ABP and RSU schemes will be settled by other Aviva plc companies, rather than the Company, and therefore any charge recognised by the Company relating to these schemes will be treated as a capital contribution.

The charge relating to existing ABP schemes for the current year is £363,641 (2020: £460,837).

continued...

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£'000	£'000
Interest receivable	-	13

6. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	2021	2020
	£'000	£'000
Depreciation - owned assets	231	277
Finance lease interest cost	77	84
Auditors' remuneration - audit services	290	299

The Company has borne the auditors' remuneration for all of SBG companies. Auditors' remuneration for audit services relating directly to the Company was £44,310 excluding VAT (2020: £44,500). There were no non-audit fees in the year (2020: £nil).

continued...

7. TAX ON PROFIT

Analysis of tax income

	2021 £'000	2020 £'000
Current tax:		
Prior period adjustment	-	9
Deferred tax	(188)	(155)
Total tax credit in income statement	(188)	(146)

Factors affecting the tax expense
The tax assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £'000	2020 £'000
Profit before taxation	1,351	802
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	257	152
Effects of:		
Disallowable expenses	73	64
Change in future statutory tax rate	(207)	(177)
Adjustments to tax charge in respect of prior years	-	9
Losses surrendered intra-group for nil value	(311)	(194)
Total tax credit	(188)	(146)

During 2021 the UK Government enacted an increase in the UK corporation tax rate to 25%, from 1 April 2023. This revised rate has been used in the calculation of the Company's deferred tax assets as at 31 December 2021 and increased the Company's deferred tax assets by £123k.

During 2020, the reduction in the UK corporation tax rate that was due to take effect was cancelled, and as a result, the rate remained at 19%. This rate was used in the calculation of the Company's deferred tax assets as at 31 December 2020 and increased the Company's deferred tax assets by £33k.

8. DIVIDENDS

	2021 £'000	2020 £'000
Ordinary shares of £1 each		
Interim	2,750	-

continued...

9. TANGIBLE ASSETS

	Leasehold property £'000	Plant and machinery £'000	Totals £'000
COST			
At 1 January 2021	1,651	2,279	3,930
Additions	-	53	53
At 31 December 2021	1,651	2,332	3,983
ACCUMULATED DEPRECIATION			
At 1 January 2021	763	2,151	2,914
Charge for year	152	79	231
At 31 December 2021	915	2,230	3,145
NET BOOK VALUE			
At 31 December 2021	736	102	838
At 31 December 2020	888	128	1,016

10. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2021 and 31 December 2021	8
NET BOOK VALUE	
At 31 December 2021	8
At 31 December 2020	8

In accordance with applicable accounting standards the directors undertake an annual impairment review of investments held. For 2021 this was carried out using a discounted future cash flow calculation covering a five-year period and an assessment of the net realisable value of the investment. No impairment of investments held at the Balance Sheet date was found.

The investments in subsidiaries at the Balance Sheet date comprise:

	Cost £'000	Provision for impairment £'000	Net book value £'000
Sesame Bankhall Valuation Services Limited	8	-	8
At 31 December 2021	8	-	8

The Company owns 75% of the issued ordinary share capital of Sesame Bankhall Valuation Services Limited.

continued...

11. DEBTORS

	2021	2020
	£'000	£'000
Trade receivables	208	246
Amounts owed by group undertakings	10,642	9,556
Other receivables	68	72
Deferred tax asset	511	324
Prepayments and accrued income	723	742
	12,152	10,940

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Further information relating to amounts owed by group undertakings is detailed in the Related Party Disclosures in Note 18.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Trade payables	247	132
Amounts owed to group undertakings	256	86
Corporation tax	-	1,327
Social security and other taxes	635	661
Other payables	967	1,102
Accruals and deferred income	4,465	3,478
	6,570	6,786

Included within other payables at 31 December 2021 is a balance of £0.964m (2020: £1.010m) relating to lease liabilities recognised as part of the adoption of IFRS 16 Leases.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand. Further information relating to amounts owed to group undertakings is detailed in the Related Party Disclosures in Note 18.

13. DEFERRED TAX

Deferred tax arose from decelerated capital allowances. The Company is expected to trade profitably in future periods so the deferred tax asset has been recognised in full. The movement in the net deferred tax asset was as follows:

	2021	2020
	£'000	£'000
Net deferred tax asset at 1 January	324	169
Amounts credited to income statement	188	155
Net deferred tax asset at 31 December	511	324

14. PROVISIONS FOR LIABILITIES

	Onerous Contract £'000	Dilapidations £'000	Other £'000	Total £'000
At 1 January 2021	1,610	170	-	1,780
Charged to the income statement	-	(45)	-	(45)
Utilisation	(1,298)	-	-	(1,298)
At 31 December 2021	312	125	-	437

A provision for onerous contracts was recognised at 31 December 2015 for contracts which, as a result of the closure of the network for designated investment firms, would no longer provide economic benefit to SBG. The provision calculation was based on the total value of future costs the Company is committed to under the existing contractual terms. Utilisation during 2021 represents amounts paid under these contracts during the year.

A dilapidations provision is held for all properties leased by the Company. The provision includes the estimated terminal dilapidations liability for each property based on dilapidations reports prepared by an independent property consultant.

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £'000	2020 £'000
1,000,000 (2020: 1,000,000)	A Ordinary shares	£1	1,000	1,000
4,598,591 (2020: 4,598,591)	B Ordinary shares	£1	4,599	4,599
			5,599	5,599

Holders of A ordinary shares are entitled to attend and vote at general meetings but holders of B ordinary shares are only entitled to attend and vote if the business of the meeting involves a reduction in share capital or a variation of class rights.

The rights attaching to the shares are as follows:

"A" Ordinary shareholders are entitled to 1% of any dividends paid or of surplus assets on winding up.

"B" Ordinary shareholders are entitled to 99% of any dividends paid or of surplus assets on winding up.

continued...

16. RETAINED EARNINGS

	Retained earnings £'000
At 1 January 2021	9,204
Profit for the financial year	1,539
Dividends	(2,750)
At 31 December 2021	7,993

17. ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is Sesame Bankhall Group Limited a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Aviva plc, a company incorporated in England.

The smallest group in which the results of the Company were consolidated for the year was that headed by Aviva plc. Copies of Aviva plc financial statements are available on application to the Group Company Secretary, Aviva plc, St Helens, 1 Undershaft, London, EC3P 3DQ, and on the Aviva plc website at www.aviva.com.

18. RELATED PARTY DISCLOSURES

	2021 £'000	2020 £'000
Included within amounts owed by group undertakings are:		
Sesame Bankhall Group Limited	7,558	7,561
Sesame Limited	1,492	616
Bankhall Support Services Limited	800	1,029
Sesame General Insurance Services Limited	-	52
Sesame Bankhall Valuation Services Limited	69	184
Premier Mortgage Service Limited	723	114
	10,642	9,556
Included within amounts owed to group undertakings are:		
Aviva Life Holdings UK Limited	86	86
Sesame General Insurance Services Limited	170	-
	256	86

During the year there have been management charges, intercompany recharges, and intercompany settlements between SBG companies. The purpose of the management and intercompany recharges is to recognize expenses in the correct statutory company. The Company continues to provide resources to SBG as the service company for the group. These resources relate to staffing and other overheads. The Company has recognised income of £24.3m (2020: £21.1m) in relation to management recharges. See Note 3 for further information.

continued...

19. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings of the Company are listed below. Each undertaking operates mainly in its country of incorporation and has only one class of ordinary share capital in issue unless otherwise stated.

The registered office of all subsidiary undertakings is Aviva, Wellington Row, York, YO90 1WR unless otherwise stated.

Held directly by the Company	**Nature of business**	**Incorporated in**
Sesame Bankhall Valuation Services Limited	Panel management company	England & Wales
Sesame Group India Private Limited	Support services company	India

Sesame Bankhall Valuation Services Limited has both Ordinary A and Ordinary B shares in issue and is 75% owned by the Company.