REGISTERED NUMBER: 02338540 (England and Wales)

Annual Report and

Financial Statements for the Year Ended 31 December 2022

for

Sesame Services Limited

Contents of the Financial Statements
for the Year Ended 31 December 2022

Sesame Services Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:	S L Batham S J Harris K L Sparkes
SECRETARY:	J Vince
REGISTERED OFFICE:	Aviva Wellington Row York YO90 1WR
REGISTERED NUMBER:	02338540 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

The directors present their strategic report of Sesame Services Limited (the "Company") for the year ended 31 December 2022.

REVIEW OF BUSINESS

Principal activities
The principal activity of the Company is to provide services and administration to the Sesame Bankhall Group of companies ("SBG") and to employ the staff who are engaged in the activities undertaken by SBG.

The Company is a private limited company, incorporated and domiciled in the United Kingdom. The Company is a member of SBG, which forms part of the Aviva plc group of companies.

Significant events
There were no significant events which materially affected the results of the Company during the year.

The Company has continued to provide resources to SBG during the year. Income from management charges received was £24.3m (2021: £24.3m).

Financial position and performance
The financial position of the Company as at 31 December 2022 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 increased by £855k (2021: £1.21m decrease) due to the profit for the financial year.

Revenue for the year of £25.49m (2021: £25.66m) was consistent with management's expectations. Revenue includes reciprocation fees received of £1.1m (2021: £1.3m) 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.

No interim dividend was distributed during the year ended 31 December 2022 (2021: £2.75m).

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.

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.

REVIEW OF BUSINESS - continued

Our culture
The Company and SBG's culture are shaped, in conjunction with the Sesame Bankhall Group Limited ("SBGL") 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 has a vision to be the market leader of professional services, helping financial advisers run successful businesses, enabling good consumer outcomes. Our people are key to delivering our strategy for our colleagues, advisers, end customers and shareholder. SBG's culture is shaped around three core values: community, expertise and passion.

SBG aims to create a collaborative environment that's welcoming to all and inclusive for everyone. Equality, diversity and inclusion is woven into everything we do.

The Company and SBG seek 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.

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.

Key strategic decisions, announcements, and achievements in 2022
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 Network, Bankhall and PMS Mortgage Club 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 2022 included the following:
- On 27 April 2022 SBG working in collaboration with two other mortgage distributors launched the Mortgage Climate Action Group.
- On 5 May 2022 SBG launched a Protection Pledge campaign to boost protection insurance take-up.
- On 20 July 2022 SBG launched a new client servicing platform for advisers in new partnership with Eligible.ai.
- On 25 July 2022 the Mortgage Climate Action Group announced its first event for advisers.
- On 23 August 2022 SBG launched a mortgage refinance support hub for advisers.
- On 18 October 2022 the Mortgage Climate Action Group unveiled a new website including HSBC-backed training programme.

During 2022 SBG and its staff won the following awards:
- SBG won Diversity Initiative of the Year at The Mortgage Awards (MoneyAge).
- SBG won Strategic Partner Performance award at the Legal & General Business Quality Awards.
- L Martin-Jones won Marketer of the Year at the Mortgage Industry Marketing Awards.
- J Cowan won the Bharat Sagar Lifetime Achievement Award at the British Mortgage Awards.
- SBG won Best Support Group/Compliance Service Award at the Protection Guru Awards.

During 2022 SBG and its staff were also nominated as finalists for the following awards:
- Distributor of the Year: Scottish Mortgage Awards (SBG)
- Trailblazing Company of the Year: FT Adviser Diversity in Finance Awards (SBG)
- Diversity Award: MoneyAge Awards (SBG)
- Best Approach to Wellbeing Award: PIMFA Diversity & Inclusion Awards (SBG)
- Best D&I Initiative Award: PIMFA Diversity & Inclusion Awards (SBG)
- Outstanding Promotion of Protection: Cover Excellence Awards (SBG)

REVIEW OF BUSINESS - *continued*

Stakeholder Engagement
The section below sets out our approach to stakeholder engagement during 2022.

(i) Customers and clients
The SBGL 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 SBGL 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 SBGL Board is supported by the SBG Executive Team, led by the Chief Executive Officer, to enable it 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 customer engagement.

(ii) 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 values equality, diversity and inclusivity in its workforce and beyond, by creating an inclusive and supportive working environment. SBG looks to attract and retain 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 the Inclusion 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. We have been recognised through various awards for our achievements here.

SBG has a high performing workforce, with a focus on offering rewarding careers, with opportunity for new challenges, or career progression. Career conversations are held with all individuals to seek out future aspirations. We provide a variety of careers, which enable our people to deliver compliance support services across the adviser community.

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. Studies to achieve regulatory and vocational qualifications are supported financially by the SBG.

Personal development is actively encouraged through a variety of learning initiatives. Recently, two talent management programmes enabled a cohort of high performing individuals to learn additional knowledge, skills and behaviours, whilst carrying out a work-based stretch project. All designed to take delegates out of their comfort zone.

We have a highly engaged workforce, committed to delivering an exceptional service to our advisers. This is evidenced through our regular engagement surveys to colleagues. In our most recent colleague listening survey a significant proportion of colleagues said they would recommend SBG as a great place to work, a result which was well above the financial services benchmark.

SBG has a variety of engagement initiatives designed to create collaboration and interaction with colleagues. These include employee forums, conferences, townhalls and engagement surveys. Employees have opportunities to voice their opinion, ask questions and provide feedback.

Our focus on employee health, wellbeing and supportive practices demonstrates our people first approach: the results of our engagement surveys evidence that our employees believe SBG values their health and wellbeing. SBG provides the opportunity for colleagues to work in a hybrid manner in line with the SBG Flexible Office Working Policy. This policy enables individuals to benefit from the flexibility or hybrid working arrangements, which is well received and is reported to improve work life balance for colleagues.

REVIEW OF BUSINESS - continued

Stakeholder Engagement - continued

(ii) Employees - continued
Our approach to reward and recognition is designed to attract, motivate, and retain talent regardless of circumstance or background. SBG is committed to equality of remuneration practices, which is demonstrated through a variety of pledges. SBG rewards employees by offering a competitive benefits package, which includes a range of contractual and voluntary benefits. This is regularly enhanced and promotes the wellbeing of colleagues.

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.

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. Regular sessions took place during the year with the Senior Leadership Team to share the strategy and plan for delivery.

2022 continued to be a challenging year and the cost-of-living crisis remains a concern for our people. SBG provided additional support during the year with a one-off financial payment to many colleagues and by subsidising the cost of employee lunches.

(iii) Suppliers
SBG operates in conjunction with a wide range of suppliers to deliver services to our customers. It is vital that we build strong working relationships with these 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.

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

REVIEW OF BUSINESS - continued

Stakeholder Engagement - continued

(iv) Communities
SBG recognises the importance of contributing to our local communities and is fully engaged in building resilience against the global impact of climate change. SBG participates in activities that benefit society, such as reducing the Company's carbon footprint, supporting social or charitable causes, and enforcing ethical labour practices.

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. An SBG Green Project team has been formed to help drive forward these goals.

To demonstrate SBG's commitment to green issues when dealing with mortgage applications, SBG is a founding partner of the Mortgage Climate Action Group. The aim of this group is to interpret new climate change legislation and engage with industry stakeholders to provide guidance and practical help for advisers.

SBG is nearing the achievement of a fund-raising target, which will support the build of a treatment room in the newly built St Ann's Hospice. We continue to fund the studies of 13 under-privileged children's education in Delhi through a charity, Turn Your Concern Into Action.

The SBG Corporate Social Responsibility policy enables colleagues to pledge 'voluntary hours' to a chosen charity. SBG has recently increased the number of volunteering hours, now providing 15 hours per employee each year, to support a good cause of their choice.

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

REVIEW OF BUSINESS - continued

Future outlook
The strategic direction of the Company is set by the directors of the Company following engagement with the Board of the parent 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.

The FCA Consumer Duty comes into force on 31 July 2023 for new and existing products and services. Following FCA publication of the final rules and guidance on 27 July 2022, SBG and the Company reviewed the new Consumer Duty and its alignment with our customer strategy, with a focus on ensuring the new Consumer Duty framework is fully embedded within SBG and appropriate oversight is in place. The Company, and all SBG companies, have implemented the requirements of the Consumer Duty Regulations during 2023 ahead of the effective date.

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.

The current economic uncertainty continues to pose trading risks to the Company (e.g., pressure on margins). Heightened volatility is expected to persist with elevated inflation, rising interest rates, and stagnating economic growth.

The Company is exposed to operational risk (e.g., cyber risk), which is the risk of loss resulting from inadequate or failed processes, people, systems or external events. The Board of the Company sets appetites and tolerances for its operational risks. The management of these risks involves assessing the financial, reputational and conduct impact of each risk as set out in the SBG Risk Management Framework. Senior management is responsible for managing these risks and achieving business objectives, whilst maintaining an effective and robust risk and control environment.

The Company's approach to Financial Risk Management is set out in the Report of the Directors.

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.

	2022	2021
	£'000	£'000
Turnover	25,485	25,656
Operating profit	1,186	1,351
Profit before taxation	1,186	1,351
Profit for the financial year	855	1,539
Net assets	14,447	13,592

Non-financial Key Performance Indicators include risk metrics which are reported and reviewed at the Executive Risk Committee and are subsequently reported to the SBGL 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:

Stephen Harris

S J Harris - Director

27 July 2023

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2022.

Certain information that is required in the Report of the Directors under the Companies Act has been disclosed in the Strategic Report on pages 2-8.

DIVIDENDS
No interim ordinary dividends were declared and settled during the year ended 31 December 2022 (2021: £0.491 per ordinary share). The directors do not recommend a final dividend paid for the year ended 31 December 2022 (2021: £nil).

The total distribution for the year ended 31 December 2022 was £nil (2021: £2.75m).

FUTURE OUTLOOK
Likely future developments in the business of the Company are discussed in the Strategic Report on page 7.

STAKEHOLDER ENGAGEMENT
Our statements summarising our employee engagement, and our engagement with suppliers, customers and our other stakeholders are included in the Strategic Report on pages 4-6.

DIRECTORS
The names of the current directors of the Company are shown on page 1.

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report:

S J Harris
S L Batham

Changes in directors holding office in the period from 1 January 2022 to the date of this report are as follows:

M L F Golunksa - resigned 29 July 2022
K L Sparkes - appointed 12 December 2022
R S Howells - resigned 12 May 2023

DIRECTORS AND OFFICERS - INDEMNITY AND INSURANCE
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.

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.

POLITICAL AND CHARITABLE DONATIONS
The Company has a policy not to make political donations. Charitable donations of £6,306 were made in the year ended 31 December 2022 (2021: £17,317).

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report, which includes a section describing the principal risks and uncertainties.

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. The directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the 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 Strategic Report, Report of the Directors, 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, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- 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;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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 also 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.

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 Auditor, 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 Aviva plc Audit Committee, the selection of EY was approved by the Aviva plc Board. PwC will continue in its role and, following reappointment by the Company's shareholders at the Aviva plc 2023 Annual General Meeting, will undertake the audit for the financial year ending 31 December 2023.

ON BEHALF OF THE BOARD:

Stephen Harris

S J Harris - Director

27 July 2023

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 2022 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, including 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 Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; 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 2022 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 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

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.

J Walker

Joseph Walker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

27 July 2023

Income Statement
for the Year Ended 31 December 2022

	Note	2022 £'000	2021 £'000
TURNOVER	3	25,485	25,656
Cost of sales		(17,638)	(17,705)
GROSS PROFIT		7,847	7,951
Administrative expenses		(6,661)	(6,600)
OPERATING PROFIT and PROFIT BEFORE TAXATION	5	1,186	1,351
Tax on profit	6	(331)	188
PROFIT FOR THE FINANCIAL YEAR		855	1,539

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

Statement of Comprehensive Income
for the Year Ended 31 December 2022

	2022 £'000	2021 £'000
PROFIT FOR THE FINANCIAL YEAR	855	1,539
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	855	1,539

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 2022

		2022		2021	
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	8		643		838
Investments	9		8		8
			651		846
CURRENT ASSETS					
Debtors	10	11,131		12,152	
Cash at bank and in hand		8,688		7,601	
		19,819		19,753	
CREDITORS					
Amounts falling due within one year	11	(5,898)		(6,570)	
NET CURRENT ASSETS			13,921		13,183
TOTAL ASSETS LESS CURRENT LIABILITIES			14,572		14,029
PROVISIONS FOR LIABILITIES	13		125		437
NET ASSETS			14,447		13,592
CAPITAL AND RESERVES					
Called up share capital	14		5,599		5,599
Retained earnings	15		8,848		7,993
TOTAL SHAREHOLDERS' FUNDS			14,447		13,592

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2023 and were signed on its behalf by:

Stephen Harris

S J Harris - 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 2022

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2021	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
Changes in equity			
Profit for the financial year and total comprehensive income	-	855	855
Balance at 31 December 2022	5,599	8,848	14,447

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 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 the United Kingdom and registered in England.

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 2022.

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
There are no new standards issued, which are not yet effective, that are expected to have a significant impact on the Company's financial statements.

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report, which includes a section describing the principal risks and uncertainties.

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. The directors believe that the Company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt, and to consider appropriate, the going concern basis in preparing the 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.

Expense recognition
All expenses are recognised in the Income Statement as incurred.

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 investments, held at fair value through other comprehensive income, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the statement of financial position 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.

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.

Investments and impairments
Investments are shown at cost less any provision considered necessary for impairment to value. The directors, on an annual basis, carry out a review for impairment of investment values.

For investments in subsidiaries the requirement for any impairment write-down is assessed by comparing the carrying value of the asset with the higher of net realisable value or value in use. The value in use is determined from estimated discounted future cash flows.

Dividend income is recognised on a receipt's basis.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions.

Trade and other receivables
Trade and other receivables do not carry any interest and are carried at their amortised cost, less appropriate allowances for estimated irrecoverable amounts.

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, an asset for this reimbursement is only recognised when it is virtually certain that reimbursement will be received.

Trade payables and other payables
Trade and other payables are not interest bearing and are stated at their amortised cost which is not materially different to cost and approximates to fair value.

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.

continued...

1. ACCOUNTING POLICIES - continued

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.

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:

	2022	2021
	£'000	£'000
Management charges receivable	24,298	24,304
Software development and sale	66	33
Professional services	1,121	1,319
	25,485	25,656

4. EMPLOYEES AND DIRECTORS

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

	2022 £'000	2021 £'000
Wages and salaries	12,359	13,423
Social security costs	1,610	1,615
Other pension costs	636	645
	14,605	15,683

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

	2022	2021
Administrative staff	231	242
Sales staff	14	17
	245	259

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:

	2022 £'000	2021 £'000
Aggregate emoluments	239	213
Other pension costs	15	16
	254	229

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

	2022	2021
Money purchase pension scheme	3	3

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:

	2022 £'000	2021 £'000
Aggregate emoluments	1,699	1,651
Other pension costs	42	51
	1,741	1,702

continued...

4. EMPLOYEES AND DIRECTORS - continued

Emoluments paid to the highest paid SBG director were:

	2022	2021
	£'000	£'000
Aggregate emoluments of the highest paid director in SBG	233	150
Pension contributions in respect of the highest paid director	15	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 2019
- Restricted Stock Units award 2019
- Annual Bonus Plan 2020
- Restricted Stock Units award 2020
- Annual Bonus Plan 2021
- Restricted Stock Units award 2021
- Annual Bonus Plan 2022
- Restricted Stock Units award 2022

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 £990,852 (2021: £910,947).

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 £280,014 (2021: £363,641).

5. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	2022	2021
	£'000	£'000
Depreciation - owned assets	205	231
Finance lease interest cost	68	77
Auditors' remuneration - audit services	329	290

The Company has borne the auditors' remuneration for all of SBG companies. Auditors' remuneration for audit services relating directly to the Company was £50,270 excluding VAT (2020: £44,310). There were no non-audit fees in the year (2021: £nil).

6. TAX ON PROFIT

Analysis of tax expense/(income)

	2022	2021
	£'000	£'000
Deferred tax	331	(188)
Total tax expense/(credit) in income statement	331	(188)

Factors affecting the tax expense

The tax assessed for the year is higher (2021: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£'000	£'000
Profit before taxation	1,186	1,351
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	225	257
Effects of:		
Disallowable expenses	62	73
Change in future statutory tax rate	301	(207)
Losses surrendered intra-group for nil value	(257)	(311)
Total tax expense/(credit)	331	(188)

The UK Government has enacted an increase in the UK corporation tax rate to 25% to take effect from 1 April 2023. This rate has been used in the calculation of the Company's deferred tax assets as at 31 December 2021 and 31 December 2022, and increased the Company's deferred tax assets by £123k.

The current tax liability of £nil (2021: £nil) is payable in more than one year.

7. DIVIDENDS

	2022	2021
	£'000	£'000
A Ordinary shares of £1 each		
Interim	-	2,750

8. TANGIBLE ASSETS

	Leasehold property £'000	Plant and machinery £'000	Totals £'000
COST			
At 1 January 2022	1,651	2,332	3,983
Additions	-	10	10
At 31 December 2022	1,651	2,342	3,993
ACCUMULATED DEPRECIATION			
At 1 January 2022	915	2,230	3,145
Charge for year	140	65	205
At 31 December 2022	1,055	2,295	3,350
NET BOOK VALUE			
At 31 December 2022	596	47	643
At 31 December 2021	736	102	838

9. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2022 and 31 December 2022	8
NET BOOK VALUE	
At 31 December 2022	8
At 31 December 2021	8

In accordance with applicable accounting standards the directors undertake an annual impairment review of investments held. For 2022 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
Sesame Group India Private Limited	-	-	-
At 31 December 2022	8	-	8

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

continued...

10. DEBTORS

	2022	2021
	£'000	£'000
Trade receivables	132	208
Amounts owed by group undertakings	10,092	10,642
Other receivables	70	68
Deferred tax asset	180	511
Prepayments and accrued income	657	723
	11,131	12,152

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 17.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade payables	197	247
Amounts owed to group undertakings	179	256
Social security and other taxes	646	635
Other payables	807	967
Accruals and deferred income	4,069	4,465
	5,898	6,570

Included within other payables as at 31 December 2022 is a balance of £805k (2021: £964k) 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 17.

12. DEFERRED TAX

The net deferred tax asset arises on the following items:

	2022 £'000	2021 £'000
Provisions and other temporary differences	10	316
Accelerated capital allowances	170	195
Net deferred tax asset at 31 December	180	511

The movement in the net deferred tax asset was as follows:

	2022 £'000	2021 £'000
Net deferred tax asset at 1 January	511	324
Amounts (charged)/credited to income statement	(331)	188
Net deferred tax asset at 31 December	180	511

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax charged/(credited) to the income statement represents movement on the following items:

	2022 £'000	2021 £'000
Accelerated capital allowances	(25)	28
Provisions and other temporary differences	(306)	160
Total deferred tax charged/(credited) to the income statement	(331)	188

continued...

13. PROVISIONS FOR LIABILITIES

	Onerous Contract £'000	Dilapidations £'000	Other £'000	Total £'000
As at 1 January 2022	312	125	-	437
Charged to the income statement	(15)	-	-	(15)
Utilisation	(297)	-	-	(297)
At 31 December 2022	-	125	-	125

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 2022 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.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £'000	2021 £'000
1,000,000 (2021: 1,000,000)	A Ordinary shares	£1	1,000	1,000
4,598,591 (2021: 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.

15. RETAINED EARNINGS

	Retained earnings £'000
At 1 January 2022	7,993
Profit for the financial year	855
At 31 December 2022	8,848

16. ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is Sesame Bankhall Group Limited, a company incorporated in the United Kingdom and registered in England.

The ultimate parent undertaking and controlling party is Aviva plc, a company incorporated in the United Kingdom and registered 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.

17. RELATED PARTY DISCLOSURES

	2022 £'000	2021 £'000
Included within amounts owed by group undertakings are:		
Sesame Bankhall Group Limited	7,552	7,558
Sesame Limited	1,076	1,492
Bankhall Support Services Limited	1,316	800
Sesame General Insurance Services Limited	-	-
Sesame Bankhall Valuation Services Limited	108	69
Premier Mortgage Service Limited	40	723
	10,092	10,642

	2022 £'000	2021 £'000
Included within amounts owed to group undertakings are:		
Aviva Life Holdings UK Limited	86	86
Sesame General Insurance Services Limited	93	170
	179	256

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 (2021: £24.3m) in relation to management recharges. See Note 3 for further information.

18. 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	United Kingdom
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.