

**REGISTERED NUMBER: 02785381 (England and Wales)**

**Strategic Report, Report of the Directors and  
Audited Financial Statements for the Year Ended 31 December 2020  
for  
Bankhall Support Services Limited**



**Contents of the Financial Statements  
for the Year Ended 31 December 2020**

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**Bankhall Support Services Limited**

**Company Information  
for the Year Ended 31 December 2020**

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**DIRECTORS:**

J Cowan  
N Criticos  
M L F Golunska  
S J Harris  
R Liston  
K E McClellan  
D S Miller  
P Wilson

**SECRETARY:**

Aviva Company Secretarial Services Limited

**REGISTERED OFFICE:**

Aviva  
Wellington Row  
York  
YO90 1WR

**REGISTERED NUMBER:**

02785381 (England and Wales)

**INDEPENDENT AUDITORS:**

PricewaterhouseCoopers LLP  
No 1 Spinningfields  
1 Hardman Square  
Manchester  
M3 3EB

**Strategic Report  
for the Year Ended 31 December 2020**

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The directors present their strategic report of Bankhall Support Services Limited (the "Company") for the year ended 31 December 2020.

**REVIEW OF BUSINESS**

**Principal activities**

Under the Bankhall brand the Company offers support services, including comprehensive regulatory support, to intermediary firms directly authorised by the FCA on either a bundled or individual basis. The Company is regulated by the Financial Conduct Authority ("FCA").

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.

**Significant events**

On 11 March 2020 the World Health Organisation declared the outbreak of COVID-19 a global pandemic and the effect of the disruption caused by this pandemic has been an unprecedented shock to the UK economy.

In responding to the pandemic our initial priority was to look after our people so that they could continue to serve our customers, clients, and advisers. All office-based staff were set up to work from home in March 2020, flexible working was offered to help individuals balancing caring responsibilities, and practical support has been given to protect the health and well-being of all staff. SBG has not furloughed anyone under the Coronavirus Job Retention Scheme and has not sought any other government or parental support during the pandemic.

In order to support our customers SBG launched its COVID-19 Adviser Support Hub on 24 March 2020 to help advisers and their clients through the pandemic. This hub was designed to help Sesame network members, PMS mortgage club members, Bankhall client firms, and the wider financial services community. SBG subsequently launched a Bounce Back Hub on 6 May 2020 to provide further support to adviser businesses. Additional specific actions were taken during the year, such as the provision of free health and wellbeing support to Sesame network members in April 2020, to help support adviser firms impacted by 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 Company itself has not been significantly impacted by the pandemic as client firms operating primarily in the wealth market were largely unaffected by the disruption caused to the housing market from the first UK Government enforced lockdown.

**Financial position and performance**

The financial position of the Company at 31 December 2020 is shown in the Statement of Financial Position on page 17, with the trading results shown in the Statement of Profit or Loss on page 15.

The Company's net assets have increased by £0.16m (2019: £2.44m decrease).

Revenue for the year of £6.64m (2019: £6.81m) was consistent with management's expectations.

The number of clients receiving services from Bankhall decreased by 0.5% (2019: 3% decrease) during the year. This drop in clients has not had a significant effect on revenue and profitability due to increased usage of Company services by existing clients.

The Company has continued to enhance the support services it offers by:

- Providing dedicated regional account managers whose sole purpose is to spend time with Bankhall clients, understanding their needs and ensuring ongoing support requirements are met.
- Implementing additional bespoke support for the specific requirements of larger firms.
- Revising, improving, and simplifying our menu of services. The Company will continue to make further additions and improvements in future years.

**Strategic Report  
for the Year Ended 31 December 2020**

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**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.

The Board is responsible for monitoring and upholding the culture, values, standards, ethics, and reputation of the Company and SBG to ensure that the directors' obligations to its shareholders and stakeholders are met. The Board monitors adherence to the Aviva Group business standards and compliance with local corporate governance requirements and is committed to acting if any areas fail to act in the manner the Board expects.

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 customers' 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.

During 2020, an independent diversity and inclusion specialist was appointed to review SBG policies, practices, and culture to assist the Company in developing a diversity and inclusion strategy. The strategy subsequently implemented included the creation of an 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 council has been established 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.

**Strategic Report  
for the Year Ended 31 December 2020**

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**REVIEW OF BUSINESS - continued**

**Key strategic decisions, announcements, and achievements in 2020**

SBG continues to invest in the Bankhall brand 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 2020 included the following:

- On 28 February 2020 Bankhall and PMS mortgage club entered a protection support partnership with CI Expert to increase the protection support available to directly authorised firms.
- On 24 March 2020 SBG launched its COVID-19 adviser support hub to help advisers and their clients through the coronavirus pandemic. The hub provided advisers with a range of practical information and tools based on knowledge and guidance from across the financial services industry. It was designed to help support Sesame network members, PMS mortgage club members, Bankhall client firms, and the wider financial services community.
- On 6 May 2020 SBG launched a new bounce-back hub to help advisers through and beyond the COVID-19 pandemic. The hub provided Sesame network members, PMS Mortgage Club members, and Bankhall client firms with practical tools and information including analysis of the new normal, advice on business resilience and growth, and good news stories.
- On 8 July 2020 SBG launched its internal Inclusion Council to help move SBG forward in the spirit of transparency and accountability. The Council includes a group of colleagues from across SBG who have a keen interest in supporting the business to achieve its inclusion ambitions.
- On 30 October 2020 SBG partnered with Accord to launch an Accord Growth Series guide aimed at helping intermediaries handle the transition period between the existing Help to Buy scheme and the new scheme due in 2021.

During 2020 the Company, SBG and its staff won the following awards:

- SBG won an award for "Championing Women's Equality" at the Diversity in Finance Awards ceremony. This accolade builds on the award won in 2019 for "Championing Gender Equality".
- Stephanie Charman, SBG Specialist Lending and Relation Manager, was named Business Leader: Specialist Distribution at the British Specialist Lending Awards 2020 hosted by Mortgage Solutions.

During 2020 the Company, SBG and its staff were also nominated as finalists for the following awards:

- Mortgage Introducer Awards 2020: Marketing Campaign of the Year (SBG).
- Money Marketing Awards 2020: Best Support Service (Bankhall).
- Professional Adviser Awards 2020: Best Support Service (Bankhall).

In addition to specific adviser related initiatives during 2019 SBG also made the following changes to its Executive Team and senior management structure:

- On 15 January 2020 Michele Golunska was appointed Chief Executive Officer subject to regulatory approval (received in April 2020).
- On 1 July 2020 John Cowan changed role from Executive Chairman to Independent Non-Executive Chairman.
- On 24 September 2020 it was announced Matt Speed, the Global Customer Transformation Lead at Aviva, would be joining SBG as Digital & Data Lead from 5 October 2020.

**Strategic Report  
for the Year Ended 31 December 2020**

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**REVIEW OF BUSINESS - continued**

**Stakeholder Engagement**

**(i) Employees**

The Company has no employees. The majority of staff engaged in the activities of the Company are employed by Sesame Services Limited, a fellow SBG subsidiary undertaking. As part of SBG, these staff enjoy the benefit of SBG policies and benefits made available to them (which include certain Aviva policies and benefits).

SBG's engagement mechanisms include employee forums, internal communication channels, and informal meetings with the directors and employee engagement surveys.

The SBG Executive Team and Board hold regular strategy days throughout the year which staff are able to join when required 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 SBG Board in context of the Company's culture, values and behaviours and actions to continually improve the results are discussed and agreed.

SBG's people share in the business' success as shareholders through membership of the Aviva group's global share plans.

**(ii) Customers and clients**

The Board of the Company receives regular reporting on client 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 customers and clients 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 enable it to closely monitor customer and client metrics, and subsequently engage with the senior leaders to address any issues that may arise from customer or client 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 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.

## **REVIEW OF BUSINESS - continued**

### **Stakeholder Engagement - continued**

#### **(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.

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 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. In addition to regular fundraising activity during 2020 SBG donated 30 new laptops to a local Primary School in Manchester to support children and families who didn't have or were unable to provide the devices required for home schooling. 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.

#### **(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 through the Chair to its parent. Additionally, members of the Aviva Life Holdings UK Limited board can attend SBG Board meetings by invitation.

#### **(vi) Our regulators**

The Company is categorised as a 'flexible portfolio' firm under the FCA's supervision regime, which is the least intrusive form of supervision for FCA solo regulated firms. The Company is also classified as a 'Limited Scope' firm under the FCA's Senior Managers and Certification Regime (SMCR), due to the very limited nature of the regulated activities that it undertakes. The Company only holds permissions to make arrangements (with a view to transactions) in non-investment insurance contracts. It does not deal directly with retail or commercial customers and its permission is only required due to certain services (relating to pure protection / general insurance (GI) business) that it offers to authorised intermediary firms that purchase services from it. As such, regulation applies to its business activities in a very limited way.

SBG maintains a close relationship with the regulator 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.



**Strategic Report  
for the Year Ended 31 December 2020**

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**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 the Company and its other 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.

SBG will continue to build on its market leading propositions, including Bankhall, 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.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors consider that the principal risks and uncertainties facing the Company are no different to those generally applicable to businesses of its size and complexity. These include, but are not restricted to, changes in the market within which the Company operates and the effect on its proposition of advances in technology and the general economic conditions for the financial intermediary.

COVID-19 presented a new uncertainty in 2020 and continues to do so 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 customers and 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 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.

The UK-EU Future Relationship Agreement came into effect on 1 January 2021, ending the Brexit transition period. It provides the scope for managed policy divergence or maintaining alignment if the UK chooses. The agreement will have evolving consequences in 2021 and beyond on future financial services and data regulation, UK-EU data transfers, EU market access and the UK economy which will require careful monitoring.

**Strategic Report  
for the Year Ended 31 December 2020**

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**KEY PERFORMANCE INDICATORS**

The directors consider that the Company's key performance indicators (KPIs) that communicate the financial performance are as follows:

	2020 £'000	2019 £'000
Continuing operations:		
Revenue	6,637	6,814
Operating profit	167	333
Profit before income tax	169	354
Profit for the year	161	311
Net assets	2,320	2,159

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

The Company measures customer advocacy through the net promoter score (NPS) for the Bankhall brand which measures the likelihood of a customer recommending Bankhall. The score is determined through collation of customer feedback and a scoring system that gives greater weighting to lower scores ('detractors') than higher scores ('promoters'). The results are benchmarked against both prior year results and a representative sample of competitors and other firms within the financial services industry.

A further significant non-financial KPI is the number of clients receiving services from Bankhall:

	2020	2019
Closing number of clients	812	816

**ON BEHALF OF THE BOARD:**



M L F Golunski - Director

28 July 2021

**Report of the Directors  
for the Year Ended 31 December 2020**

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The directors present their report with the audited financial statements of the Company for the year ended 31 December 2020.

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**

No interim dividend was paid during the year (2019: £2.50 per share). The directors recommend that no final dividend should be paid.

The total distribution for the year will be £nil (2019: £2.75m).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report:

J Cowan  
N Criticos  
D S Miller

Changes in directors holding office in the period from 1 January 2020 to the date of this report are as follows:

S J Harris - appointed 13 January 2020  
R Liston - appointed 20 January 2020  
M L F Golunska - appointed 20 April 2020  
C A Williams - resigned 7 December 2020  
C Binmore - resigned 31 January 2021  
K E McClellan - appointed 27 May 2021  
P Wilson - appointed 27 May 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 DONATIONS AND EXPENDITURE**

The Company made no charitable or political donations (2019: £nil).

**EMPLOYEES**

The Company has no employees. The majority of employees engaged in the activities of the Company are employed by the fellow SBG subsidiary undertaking Sesame Services Limited. Disclosures relating to employees may be found in the annual report and financial statements of that company.

**Report of the Directors  
for the Year Ended 31 December 2020**

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**FINANCIAL RISK MANAGEMENT POLICY**

The enterprise risk management framework for Bankhall Support Services Limited is articulated by reference to three key areas:

- Culture, leadership and setting the right tone;
- Risk identification and the management cycle; and
- The demonstration of our effective risk management by outcomes evidenced through reports and analysis.

Culture, leadership and tone comprises the following components:

- Appropriate board and committee structures with defined terms of reference;
- Defined delegated authority limits and decision matrices;
- Strategic and operational plans; and
- The suite of policies which set out the limits of exposure in respect of each risk area.

The risk identification and management cycle is the process by which the Company identifies and evaluates risk, plans and implements strategic initiatives, controls exposures and monitors outcomes.

Demonstration of the effectiveness of risk management is evidenced through:

- Analysis of progress against plans using key performance indicators and key risk indicators
- Regular reports on risks and issues.

As a result of its normal business activities, the Company is exposed to a variety of risks, including operational, market, liquidity and credit risk.

**Credit risk**

The exposure of the Company to credit risk primarily relates to the recovery of trade receivables. A formal process for recovery of these receivables is in place and management monitor this process on a continual basis.

**Market risk**

The Company is exposed to any major economic downturn which causes poor liquidity in the mortgage and investment markets as this is likely to negatively affect the profitability of directly authorised Bankhall client firms. This in turn is likely to reduce the ability of directly authorised client firms to purchase support services from the Company. The directors monitor the performance of the business and market as a whole on a continual basis in order to ensure the Company is well placed to respond appropriately to any significant changes.

**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 healthy cash surplus and positive net current assets. As such, the directors consider the Company to have minimal exposure to liquidity risk.

**CAPITAL MANAGEMENT**

During the year the Company was subject to FCA capital adequacy requirements for home mortgage and home finance firms, and insurance intermediaries. The directors regularly monitor capital, with reference to these regulatory requirements, as part of well-established reporting processes. The Company had a surplus on the most onerous test requirement of £2.2m at 31 December 2020 (2019: £2.2m).

**STATEMENT OF 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.

**Report of the Directors  
for the Year Ended 31 December 2020**

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**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 international accounting standards in conformity with the requirements of the Companies Act 2006.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

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 AUDITORS**

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

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

**INDEPENDENT AUDITORS**

It is the intention of the directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of section 487 of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**



M L F Golunska - Director

28 July 2021

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

In our opinion, Bankhall Support Services Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; 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 Statement of Financial Position as at 31 December 2020; the Statement of Profit or Loss, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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 2020 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 Financial Conduct Authority ("FCA") regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 journal entries. Audit procedures performed by the engagement team included:

- Testing of journal entries based on specific risk criteria;
- 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](http://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 members 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 2021



**Bankhall Support Services Limited (Registered number: 02785381)**

**Statement of Profit or Loss  
for the Year Ended 31 December 2020**

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		2020 £'000	2019 £'000
	Note		
<b>CONTINUING OPERATIONS</b>			
Revenue		6,637	6,814
Administrative expenses		<u>(6,470)</u>	<u>(6,481)</u>
<b>OPERATING PROFIT</b>		167	333
Finance income	5	<u>2</u>	<u>21</u>
<b>PROFIT BEFORE INCOME TAX</b>	6	169	354
Income tax	7	<u>(8)</u>	<u>(43)</u>
<b>PROFIT FOR THE YEAR</b>		<u>161</u>	<u>311</u>

The notes on pages 20 to 30 form part of these financial statements

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**Bankhall Support Services Limited (Registered number: 02785381)**

**Statement of Comprehensive Income  
for the Year Ended 31 December 2020**

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	2020 £'000	2019 £'000
<b>PROFIT FOR THE YEAR</b>	161	311
<b>OTHER COMPREHENSIVE INCOME</b>	—	—
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>161</u>	<u>311</u>

The notes on pages 20 to 30 form part of these financial statements

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**Bankhall Support Services Limited (Registered number: 02785381)**

**Statement of Financial Position  
As at 31 December 2020**

		2020 £'000	2019 £'000
<b>ASSETS</b>	<b>Note</b>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	-	-
Deferred tax	15	<u>184</u>	<u>199</u>
		<u>184</u>	<u>199</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	824	866
Tax receivable		7	25
Cash and cash equivalents	11	<u>2,403</u>	<u>1,784</u>
		<u>3,234</u>	<u>2,675</u>
<b>TOTAL ASSETS</b>		<u><u>3,418</u></u>	<u><u>2,874</u></u>
<b>EQUITY</b>			
Called up share capital	12	1,102	1,102
Share based payment reserve	13	180	180
Retained earnings	13	<u>1,038</u>	<u>877</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<u>2,320</u>	<u>2,159</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	<u>1,098</u>	<u>715</u>
<b>TOTAL LIABILITIES</b>		<u>1,098</u>	<u>715</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>3,418</u></u>	<u><u>2,874</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 July 2021 and were signed on its behalf by:



M L F Golunska - Director

The notes on pages 20 to 30 form part of these financial statements

**Bankhall Support Services Limited (Registered number: 02785381)**

**Statement of Changes in Equity  
for the Year Ended 31 December 2020**

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	Called up share capital £'000	Retained earnings £'000	Share based payment reserve £'000	Total equity £'000
<b>Balance at 1 January 2019</b>	1,102	3,316	180	4,598
<b>Changes in equity</b>				
Dividends	-	(2,750)	-	(2,750)
Total comprehensive income for the year	<u>-</u>	<u>311</u>	<u>-</u>	<u>311</u>
<b>Balance at 31 December 2019</b>	<u>1,102</u>	<u>877</u>	<u>180</u>	<u>2,159</u>
<b>Changes in equity</b>				
Total comprehensive income for the year	<u>-</u>	<u>161</u>	<u>-</u>	<u>161</u>
<b>Balance at 31 December 2020</b>	<u>1,102</u>	<u>1,038</u>	<u>180</u>	<u>2,320</u>

The notes on pages 20 to 30 form part of these financial statements

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**Bankhall Support Services Limited (Registered number: 02785381)**

**Statement of Cash Flows  
for the Year Ended 31 December 2020**

		2020 £'000	2019 £'000
	Note		
<b>Cash flows from operating activities</b>			
Cash generated from operations	18	592	143
Tax paid		<u>25</u>	<u>(235)</u>
Net cash generated from / (used in) operating activities		<u>617</u>	<u>(92)</u>
 <b>Cash flows from investing activities</b>			
Interest received		<u>2</u>	<u>21</u>
Net cash generated from investing activities		<u>2</u>	<u>21</u>
 <b>Cash flows from financing activities</b>			
Equity dividends paid		<u>-</u>	<u>(2,750)</u>
Net cash used in financing activities		<u>-</u>	<u>(2,750)</u>
 <b>Increase/(decrease) in cash and cash equivalents</b>		<u>619</u>	<u>(2,821)</u>
<b>Cash and cash equivalents at beginning of year</b>	19	<u>1,784</u>	<u>4,605</u>
 <b>Cash and cash equivalents at end of year</b>	19	<u><u>2,403</u></u>	<u><u>1,784</u></u>

The notes on pages 20 to 30 form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2020**

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**1. STATUTORY INFORMATION**

Bankhall Support 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.

**2. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared on a going concern basis and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared on the historical cost basis and have been prepared in pounds sterling.

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

**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 2020.

**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 and once effective it will replace IFRS 4 Insurance Contracts issued in 2004. Following the publication of an Exposure Draft of proposed amendments to IFRS 17 in June 2019, it is expected that the standard will apply to annual reporting periods beginning on or after 1 January 2023 at the earliest.

**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.

**2. ACCOUNTING POLICIES - continued**

**Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, amounts refunded, VAT and other sales related taxes.

Services are provided by the Company under specific contracts which vary by client firm depending on the selection of services acquired. A standard transaction price is applied for each specific service and this price is fixed by the contract with the client firm. The bundle of services provided under a client firm contract serves as a single performance obligation and revenue is recognised across the contract period. Payment is taken on a monthly basis throughout the year and is received on a consistent basis with the timing of revenue recognition. There are no significant differences between the timing of cash collection and the completion of performance obligations.

**Dividend income**

Dividend income from investments is recognised when the shareholders' rights to receive payments have been established.

**Expense recognition**

All expenses are recognised in the Statement of Profit or Loss as incurred.

**Property, plant and equipment**

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.

Fixtures and fittings	- between 3 to 5 years on varying rates
Computer equipment	- between 3 to 5 years on varying rates

**Financial liabilities and equity**

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

**2. 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 Statement of Financial Position 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. 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 Statement of Financial Position as a deferred tax asset or liability.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**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.

**Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date and are discounted to present value where the effect is material.



3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

**Impairment losses**

The Company reviews its trade receivables to assess impairment at least on a quarterly basis, in determining whether an impairment loss should be recorded in the Statement of Profit or Loss. In undertaking this review, the Company makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from these debtors before the decrease can be identified. This evidence may include observable data indicating that there has been an adverse change in the payment status of the debtor.

4. **EMPLOYEES AND DIRECTORS**

All staff engaged in the trading activities of the Company are employed by Sesame Services Limited, the SBG service company. The costs associated with these staff members are recharged to the Company based on the proportion of time they spend working directly on the activities of the Company.

The costs recharged to the Company during the year were as follows:

	2020	2019
	£'000	£'000
Wages and salaries	3,462	3,493
Social security costs	436	421
Other pension costs	<u>194</u>	<u>184</u>
	<u>4,093</u>	<u>4,098</u>

The directors holding office during the year were employed and remunerated by Sesame Services Limited with their emoluments then apportioned 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 recharged to the Company during the year were:

	2020	2019
	£'000	£'000
Aggregate emoluments	277	133
Other Pension Costs	<u>11</u>	<u>-</u>
Total remuneration	<u>288</u>	<u>133</u>

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

	2020	2019
Money purchase pension scheme	2	-

The emoluments of the highest paid director, attributable to the Company, were as follows:

	2020	2019
	£'000	£'000
Aggregate emoluments	93	109
Other Pension Costs	<u>7</u>	<u>-</u>
Total remuneration	<u>100</u>	<u>109</u>

No SBG share options were offered or exercised during the year.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

5. FINANCE INCOME

	2020	2019
	£'000	£'000
Deposit account interest	<u>2</u>	<u>21</u>

6. PROFIT BEFORE INCOME TAX

Auditors' remuneration for audit services of £44,500 excluding VAT (2019: £41,700) has been borne by a fellow SBG subsidiary, Sesame Services Limited, and recharged to the Company as was the case in the prior year. There were no non-audit fees in either year.

7. INCOME TAX

Analysis of tax expense

	2020	2019
	£'000	£'000
Current tax:		
Corporation tax	(7)	-
Deferred tax	<u>15</u>	<u>43</u>
Total tax expense in statement of profit or loss	<u>8</u>	<u>43</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£'000	£'000
Profit before income tax	<u>169</u>	<u>354</u>
Profit before income tax multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	32	67
Effects of:		
Change in future statutory tax rate	(24)	(5)
Surrender of tax losses from Group undertakings for no charge	-	(19)
	<u>8</u>	<u>43</u>
Tax expense	<u>8</u>	<u>43</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

7. INCOME TAX - continued

During 2020, the reduction in the UK corporation tax rate that was due to take effect from 1 April 2020 was cancelled and as a result, the rate has remained at 19%. This revised rate has been used in the calculation of the Company's deferred tax assets and liabilities as at 31 December 2020 and increased the Company's deferred tax assets by £23k.

In the Budget of 3 March 2021, the UK Government announced that the UK corporation tax rate will increase to 25% from 1 April 2023. As of 31 December 2020, this measure had not been substantively enacted and therefore no impact is reflected in the calculation of the Company's deferred tax assets and liabilities as at 31 December 2020. This measure would increase the Company's deferred tax assets by approximately £58k.

**Tax assets and liabilities**

(a) Current tax

Current tax assets receivable in more than one year are £7k (2019: £nil).

8. DIVIDENDS

	2020 £'000	2019 £'000
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>2,750</u>

9. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
<b>COST</b>			
At 1 January 2020	3	19	22
Disposals	<u>(1)</u>	<u>(19)</u>	<u>(20)</u>
At 31 December 2020	<u>2</u>	<u>-</u>	<u>2</u>
<b>ACCUMULATED DEPRECIATION</b>			
At 1 January 2020	3	19	22
Eliminated on disposal	<u>(1)</u>	<u>(19)</u>	<u>(20)</u>
At 31 December 2020	<u>2</u>	<u>-</u>	<u>2</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

10. TRADE AND OTHER RECEIVABLES

	2020 £'000	2019 £'000
Current:		
Trade receivables	217	276
Amounts owed by group undertakings	560	403
Prepayments and accrued income	<u>47</u>	<u>187</u>
	<u>824</u>	<u>866</u>

Trade receivables are reported at the amounts at which they are expected to be received after allowing for bad debts, which are assessed individually. Impairment of trade receivables is reported as an expense.

The directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Amounts owed by group undertakings are regarded as current assets based upon the intention with which these financial assets are held. These amounts 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.

As at 31 December 2020, trade receivables of £174,000 aged over 3 months (2019: £197,000) were past due and full provision has been made for these amounts. No trade receivables past due were unimpaired at 31 December 2020 (2019: £nil). Movement on the bad debt provision for impairment of trade receivables is as follows:

	2020 £'000	2019 £'000
Balance at 1 January	197	163
Provision for receivables	18	29
Receivables written off during the year	<u>(41)</u>	<u>5</u>
Balance at 31 December	<u>174</u>	<u>197</u>

11. CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Bank current account	<u>2,403</u>	<u>1,784</u>

Bank balances and cash comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020 £'000	2019 £'000
Number:	Class:			
1,102,200 (2019: 1,102,200)	Ordinary	£1	<u>1,102</u>	<u>1,102</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

13. RESERVES

	Retained earnings £'000	Share based payment reserve £'000	Totals £'000
At 1 January 2020	877	180	1,057
Profit for the year	<u>161</u>	<u>-</u>	<u>161</u>
At 31 December 2020	<u>1,038</u>	<u>180</u>	<u>1,218</u>

14. TRADE AND OTHER PAYABLES

	2020 £'000	2019 £'000
Amounts owed to group undertakings	1,029	607
Accruals and deferred income	<u>69</u>	<u>108</u>
	<u>1,098</u>	<u>715</u>

Trade payables and other short-term liabilities are stated at their nominal value, without discounting. These principally comprise amounts outstanding for trade purchases and ongoing expenses and costs. The directors consider that the carrying amount of trade and other payables approximates to their fair value.

Amounts owed to group undertakings are regarded as current liabilities. Further information relating to amounts owed to group undertakings is detailed in the Related Party Disclosures in Note 17.

15. DEFERRED TAX

The Company has recognised a deferred tax asset in relation to depreciation in excess of capital allowances for the current year.

	2020 £'000	2019 £'000
Balance at 1 January	(199)	(242)
Current year movement	<u>15</u>	<u>43</u>
Balance at 31 December	<u>(184)</u>	<u>(199)</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

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**15. DEFERRED TAX - continued**

	2020	2019
	£'000	£'000
Deferred tax on decelerated capital allowances	<u>(184)</u>	<u>(199)</u>
Balance at 31 December	<u>(184)</u>	<u>(199)</u>

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. The deferred tax asset held at 31 December is expected to be utilised as follows:

	2020	2019
	£'000	£'000
Within 1 year	(32)	(38)
After 1 year	<u>(152)</u>	<u>(161)</u>
Balance at 31 December	<u>(184)</u>	<u>(199)</u>

**16. ULTIMATE PARENT COMPANY**

The immediate parent company is Sesame Bankhall Group Limited, a company incorporated in Great Britain and registered in England and Wales.

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

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](http://www.aviva.com).

**17. RELATED PARTY DISCLOSURES**

	2020 £'000	2019 £'000
Included within amounts owed by group undertakings are:		
Premier Mortgage Service Limited	<u>560</u>	<u>403</u>
	<u>560</u>	<u>403</u>
Included within amounts owed to group undertakings are:		
Sesame Services Limited	<u>1,029</u>	<u>607</u>
	<u>1,029</u>	<u>607</u>

During the year there have been management charges, intercompany recharges, and intercompany account settlements between SBG companies. The purpose of the management and intercompany recharges is to recognise expenses in the correct statutory company. During the year Sesame Services Limited, the SBG service company, charged £6.1m (2019: £6.3m) of management charges to the Company. These management charges include overheads and staff costs incurred by Sesame Services Limited which relate to the trading activity of the Company.

During the year the Company recognised commission income of £2.1m (2019: £2.2m) from Premier Mortgage Service Limited, a fellow SBG subsidiary, relating to GI and Protection sales originating from client firms of the Company. This income is disclosed within Revenue in the Statement of Profit or Loss.

**18. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	2020 £'000	2019 £'000
Profit before income tax	169	354
Finance income	<u>(2)</u>	<u>(21)</u>
	167	333
Decrease in trade and other receivables	42	138
Increase/(decrease) in trade and other payables	<u>383</u>	<u>(328)</u>
<b>Cash generated from operations</b>	<u><b>592</b></u>	<u><b>143</b></u>

**19. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2020**

	31/12/20	1/1/20
	£'000	£'000
Cash and cash equivalents	<u>2,403</u>	<u>1,784</u>

**Year ended 31 December 2019**

	31/12/19	1/1/19
	£'000	£'000
Cash and cash equivalents	<u>1,784</u>	<u>4,605</u>