

ReAssure Companies Services Limited

Company Registration Number: 06705828

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS for the year ended 31 December 2022

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ReAssure Companies Services Limited

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ReAssure Companies Services Limited

Directors and officers

Board of Directors

Brid Meaney	(Appointed 30 th June 2023)
Katherine Jones	(Appointed 11 th August 2023)
Matthew Cuhls	(Resigned 30 th June 2023)
Michael Woodcock	(Resigned 30 th June 2023)

Company Secretary

Pearl Group Secretariat Services Ltd

Registered office

Windsor House
Ironmasters Way
Town Centre
Telford
England
TF3 4NB

Company registration number

06705828

ReAssure Companies Services Limited

Director's report for the year ended 31 December 2022

The Director presents the annual report and financial statements of ReAssure Companies Services Limited ("the Company") for the year ended 31 December 2022.

These financial statements for the year ended 31 December 2022, have been prepared in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework ("FRS101"). The Company has taken advantage of the exemption in Section 414 of the Companies Act 2006 in relation to the exemption for small companies from preparing a Strategic Report.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activity

The Company is incorporated and domiciled in England and Wales, part of the United Kingdom. It is a private company, which is limited by shares. The main objective of the Company is the control of expenses relating to the provision of management services to its fellow entities within the ReAssure Division ("the Division") of the Phoenix Group ("the Group").

The Company primarily operated a branch in Ireland, providing services to ARK Life Assurance Company dac ("ARK Life"). On 13 July 2021 it was announced that Group had agreed to sell Ark Life to Irish Life Group Limited. On 1 November 2021, it was announced that the sale of Ark Life to Irish Life had completed. Following the sale of Ark Life, the services provided by the Company are significantly reduced and all expenses incurred are recharged out to ReAssure UK Services Limited ("RUKSL"), a fellow management services company within the Group.

The Company is 100%-owned subsidiary of Phoenix Group Holdings plc ("PGHP"). The Group is the largest specialist consolidator of heritage life assurance funds in Europe. The Group's main focus has traditionally been on closed life fund consolidation, and the Group specialises in the acquisition and management of closed life insurance and pension funds. Alongside this, the Group has open business which manufactures and underwrites new products and policies to support people saving for their futures. The Group's vision is to be Europe's leading life consolidator, and its mission is to improve outcomes for customers and deliver value for shareholders.

Results

The results for the year are set out on page 7. The Company made a loss for the year of £2k (2021: profit of £18k). Losses have increased in the current year due to the reduction in activity. The net liability position of the Company at the end of the year was £43,733k (2021: £43,731k).

Future outlook

There are no significant changes to the Company's activities anticipated in the foreseeable future.

Going concern

In assessing whether the Company is a going concern the Directors have followed the UK Financial Reporting Council's "Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks (April 2016)". The Directors continue to believe that preparing the financial statements on the going concern basis is appropriate. Further details regarding the adoption of the going concern basis can be found in the notes to the financial statements.

Financial risk management

The following have been defined as key business risks:

Credit risk is significantly reduced as assets are primarily intercompany receivables due from other companies within the Group, all of which were deemed to have access to sufficient liquidity to be able to repay their liabilities as they fall due. The Company also holds cash and short-term deposits, which were placed with banks with a credit-rating in line with the Company's policy.

Liquidity risk is the risk that the Company may have insufficient liquid assets to meet its liabilities as they become due. This risk is mitigated through management of cash and receivables within the Group to ensure that sufficient resources are available to meet the liabilities of the Company.

Operational risk is the risk of loss that arises from people, processes and procedures within the organisation. The Company mitigates its operational risk by the use of a wide range of techniques including scenario planning, training, formal risk assessments and policy and procedure documentation. The Company monitors operational risk through routine management information and auditing.

ReAssure Companies Services Limited

The Group's internal audit function advises management on the effectiveness of its internal control systems and the adequacy of these systems to manage business risk and to safeguard the Company's assets and resources.

Dividends

The Directors do not recommend the payment of a dividend (2021: £nil).

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are shown on page 3.

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Directors' report and the Company's financial statements ("the financial statements") in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have elected to prepare those statements in accordance with FRS 101 Reduced Disclosure Framework in conformity with the requirements of the Companies Act 2006. Under company law, the Directors must not approve the financial statements unless they are satisfied that they present fairly the financial performance and financial position of the Company for the accounting period. In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 Reduced Disclosure Framework in conformity with the requirements of the Companies Act 2006 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with United Kingdom Accounting Standards including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice), subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a directors' report that comply with that law and those regulations.

Qualifying third party indemnity provisions

Qualifying third party indemnity arrangements (as defined in section 234 of the Companies Act 2006) were in force for the benefit of the Directors of the Company during the year and remain in place at the date of approval of this report.


Audit exemption

The Company has taken advantage of the exemption in section 479a of the Companies Act 2006 relating to subsidiary companies not to require an audit of these financial statements, as a guarantee over all liabilities of the Company at the balance sheet date has been granted by the Company's ultimate parent, PGHP.

ReAssure Companies Services Limited

Approval

This report was approved by the Board of Directors on 8 September 2023 and signed on its behalf by:

DocuSigned by:

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Brid Meaney
Director
8 September 2023

ReAssure Companies Services Limited

Statement of Comprehensive Income

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Revenue	4	-	2,307
Administrative expenses	5	(4)	(2,289)
(Loss)/profit on ordinary activities before taxation		(4)	18
Tax credit on loss on ordinary activities	9	2	-
Total comprehensive (loss)/income for the financial year attributable to owners of the parent		(2)	18

The notes on pages 10 to 17 form an integral part of these financial statements.

All results derive from continuing operations.

ReAssure Companies Services Limited

Statement of Financial Position

As at 31 December 2022

	Note	2022 £'000	2021 (Restated)* £'000
Non-current assets			
Deferred tax assets	10	3	-
Current assets			
Trade and other receivables	11	-	57
Cash and cash equivalents	12	4,590	4,676
		4,590	4,733
Total assets		4,593	4,733
Current liabilities			
Trade and other payables	14	48,326	48,401
Provision for other liabilities and charges due in less than 1 year	13	-	63
Total liabilities		48,326	48,464
Net Liabilities		(43,733)	(43,731)
Equity			
Share capital	15	100	100
Other reserves		30,145	30,145
Accumulated losses		(73,978)	(73,976)
Total equity		(43,733)	(43,731)

*Please refer to note 3 for further details of the restatement.


The Company has taken advantage of the exemption in Section 414 of the Companies Act 2006 in relation to the exemption for small companies from preparing a Strategic Report.

Notes on pages 10 to 17 form an integral part of these financial statements.

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of financial statements.

The financial statements of Reassure Companies Services Limited (registered number 06705828) presented on pages 7 to 17 were approved by the Board of Directors and authorised for issue on 8 September 2023 and signed on its behalf by:

DocuSigned by:

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Brid Meaney
 Director
 8 September 2023

ReAssure Companies Services Limited

Statement of Changes in Equity

For the year ended 31 December 2022

	Share capital (note 15)	Attributable to owners of the Company Capital contribution reserves	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000
1 January 2022	100	30,145	(73,976)	(43,731)
Comprehensive loss for the financial year	-	-	(2)	(2)
At 31 December 2022	100	30,145	(73,978)	(43,733)

For the year ended 31 December 2021
(Restated)*

	Share capital (note 15)	Attributable to owners of the Company Capital contribution reserves	Accumulated losses*	Total equity
	£'000	£'000	£'000	£'000
1 January 2021	100	30,145	(73,994)	(43,749)
Comprehensive income for the financial year	-	-	18	18
At 31 December 2021	100	30,145	(73,976)	(43,731)

*Please refer to note 3 for further details of the restatement.

The notes on pages 10 to 17 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2022

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and preceding years.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention on a going concern basis in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

The Directors have followed the UK Financial Reporting Council's "Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks (April 2016)" when performing their going concern assessment.

The Directors have considered the result made during 2022, and the overall net liability position of the Company. However, the Directors also note that the Company has enough cash as at the period end to comfortably cover its external liabilities. In the event of intergroup liabilities being recalled, the Company may require support from its immediate parent company, ReAssure Midco Limited ("RML"), in order to meet these liabilities.

The Directors have made enquiries, which include consideration of RML's business model, including expected dividend forecasts to the end of 2027, and have received confirmation from RML that it would provide support to meet liabilities as they fall due over the going concern period. Based on this assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future (to at least 30 September 2024). Accordingly, they continued to adopt the going concern basis in preparing the financial statements.

The Company adopted Financial Reporting Standard 101, Reduced Disclosure Framework for the first time in the previous year. The main disclosure exemptions taken for all reporting periods in accordance with FRS 101 are:

- Overview of the entity's objectives and process for managing capital;
- Preparation of a cash flow statement;
- Assessment of the impact of new IFRS standards issued but not yet effective;
- Disclosure of key management personnel remuneration;
- Disclosure of amounts incurred by the entity for the provision of key management personnel services that are provided by a separate management entity;
- Information regarding the significance of financial instruments and the nature and extent of risks arising from financial instruments;
- Disclosure of allowance for expected credit losses and maximum exposure to credit risk; and
- Disclosure of related party transactions included in the Statement of Comprehensive Income.

The Company is exempt from preparing a cash flow statement as FRS 101 provides full exemption from the requirements of International Accounting Standard ("IAS") 7 Statement of Cash Flows. The Company has taken advantage of the exemption in Section 414 of the Companies Act 2006 in relation to the exemption for small companies from preparing a Strategic Report.

The Company is included in the consolidated financial statements of PGHP which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006 and IFRS 10 Consolidated Financial Statements, paragraph 4(a).

In addition, as the Company is a wholly-owned subsidiary of PGHP, it has taken advantage of the exemption contained within FRS 101 to not disclose transactions with entities which form part of the group (or investors of the group qualifying as related parties) under IAS 24 Related Party Disclosures.

1.2 Adoption of new accounting announcements in 2022

New accounting pronouncements under the FRS 101 Reduced Disclosure Framework have not had a material impact on the Company.

1.3 Revenue

Revenue relates to income received from group undertakings as a result of the management service agreement and third-party income principally in relation to third party administration.

Under the management service agreement, the Company provides an array of services including but not limited to business enabling and operational governance assistance to support each party in performing their contractual duties.

Revenue generated from this agreement is recognised over time as the services are performed and the contract obligations are fulfilled. Invoices are prepared based on rate tables specified in the contracts.

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1.4 Interest income

For interest-bearing assets, interest is recognised as it accrues and is calculated using the effective interest rate method. The effective interest rate is defined as the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the net carrying amount of the financial asset or financial liability. Fees and commissions that are an integral part of the effective yield of the financial assets or liabilities are recognised as an adjustment to the effective interest rate of the instrument.

1.5 Foreign Currencies**1.5.1 Functional currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company was Euros (EUR) up until 30th September 2021. From the 1st October 2021, the functional currency of the Company is Great British Pounds (GBP).

1.5.2 Presentational currency

The presentational currency of the Company is Great British Pounds (GBP). This is to ensure that the presentational currency of the Company remains aligned to the presentational currency of the Group, thus maintaining consistency of accounting policies across the Group and its subsidiaries.

1.5.3 Transactions and balances

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Exchange differences on monetary items are recognised in the Statement of Comprehensive Income when they arise.

1.6 Current income tax

Current tax comprises tax payable on current period losses, adjusted for non-tax deductible or non-taxable items, and any adjustments to tax payable in respect of previous periods. Current tax is recognised in the Statement of Comprehensive Income.

1.7 Deferred income tax

Deferred tax is calculated on differences between the accounting value of assets and liabilities and their respective tax values. Deferred tax is also recognised in respect of unused tax losses to the extent that it is probable that future taxable profits will arise against which the profits can be utilised. Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates (and laws) that have been enacted or are substantively enacted at the end of the reporting period.

1.8 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short-term deposits with an original maturity term of three months or less at the date of placement. The carrying amount of these assets approximates to their fair values.

1.9 Provisions and contingent assets/liabilities

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic benefits will materialise, and the amount of the obligation can be reliably measured. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. If the event resulting in a future obligation is less than probable but greater than remote, or the amount cannot be reliably estimated, a contingency is disclosed in the notes to the financial statements.

A provision is recognised for onerous contracts in which the unavoidable costs of meeting the obligations under the contract exceed the future economic benefits expected to be received under it. The unavoidable costs reflect the net cost of exiting the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

1.9.1 Contingent assets and liabilities

Contingent assets are disclosed in the notes if the inflow of economic benefits is probable, but not virtually certain. When the inflow of economic benefits becomes virtually certain, the asset is no longer contingent, and its recognition is appropriate.

1.10 Trade and other payables

Trade and other payables are recorded at amortised cost. Intragroup payables relate to unsecured, interest free intercompany accounts and are repayable on demand.

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1.11 Events after the balance sheet date

The financial statements are adjusted to reflect events that occurred provided they give evidence of conditions that existed at the balance sheet date. Events that are indicative of conditions that arose after the balance sheet date are disclosed where significant, but do not result in an adjustment of the financial statements themselves.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements requires management to make judgements, estimates and underlying assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Restatements to prior year accounts

After the preparation of the financial statements for the year ended 31 December 2021, it was discovered that historical interest income was being diverted from another Group entity's bank account rather than from the Company's bank account. A realignment exercise took place during 2022 to transfer this interest income to the Group entity. A total of £125,000 of interest income was transferred from the Company in 2022, of which £87,000 related to prior periods. The impact to the 2021 comparatives of this restatement is an increase in accumulated losses of £87,000 and an increase in trade and other payables of £87,000 as detailed in the tables below.

Statement of Financial Position

	As previously reported 31 December 2021 £000	Restated 31 December 2021 £000
Current liabilities		
Trade and other payables	48,314	48,401
Net liabilities	<u>43,644</u>	<u>43,731</u>
Equity		
Accumulated losses	(73,889)	(73,976)
Total Equity	<u>(43,644)</u>	<u>(43,731)</u>

Statement of Changes in Equity

	As previously reported 2021 Accumulated losses £000	As previously reported 2021 Total equity £000	Restated 2021 Accumulated losses £000	Restated 2021 Total equity £000
At 1 January 2021	(73,907)	(43,662)	(73,994)	(43,749)
At 31 December 2021	<u>(73,889)</u>	<u>(43,644)</u>	<u>(73,976)</u>	<u>(43,731)</u>

4. Revenue

	2022 £'000	2021 £'000
Intragroup revenue	-	2,306
Bank interest	-	1
	<u>-</u>	<u>2,307</u>

Revenue represents amounts receivable from other group companies in respect of the provision of management services by the Company and bank interest on cash deposits.

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5. Administrative expenses

	2022	2021
	£'000	£'000
Staff costs (note 7)	-	1,958
Depreciation	-	12
Other administrative expenses	4	319
	<u>4</u>	<u>2,289</u>

Other administrative expenses incurred during 2022 represent the bank charges and bad debts write-offs. In 2021, administrative costs and other expenses incurred were recharged to a fellow group company, ReAssure UK Services Limited, by way of a monthly service charge in accordance with the terms of a Management Services Agreement between the parties.

6. Auditors' remuneration

The analysis of auditors' remuneration is as follows:

	2022	2021
	£'000	£'000
Audit of the Company's financial statements	-	10

During the financial year ended 31 December 2021, Ernst & Young LLP acted as the Company's external auditor. Auditors' remuneration for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of Phoenix Group Holdings plc, the Company's ultimate controlling party, are required to disclose fees in respect of non-audit services on a consolidated basis.

For the financial year ended 31 December 2022, the Company was entitled to exemption under section 479a of the Companies Act 2006.

7. Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	-	1,603
Social security costs	-	168
Other pension costs	-	187
	<u>-</u>	<u>1,958</u>

Other pension costs relate to the defined contribution scheme. There were outstanding contributions of £nil (2021: £8,358) at the balance sheet date.

The monthly average number of employees (including executive directors) during the year were:

	2022	2021
	No.	No.
Administration and Systems	-	7
Finance and Actuarial	-	18
	<u>-</u>	<u>25</u>

All of the Company's employees TUPED over to Ark Life on 1st October 2021.

No staff are employed by the Company during the year ended 31 December 2022; all activities relating to the Company are performed by staff employed by another company within the Phoenix Group, ReAssure UK Services Limited ("RUKSL"). There are no recharges payable by the Company for these activities and hence it is not possible to determine the related employee costs. These are disclosed in full within the accounts of RUKSL.

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8. Key management remuneration

Certain Directors of the Company are also Directors of other undertakings within the Phoenix Group and are remunerated by RUKSL (2021: same). It has not been deemed possible to separate the time spent on Company business from other Group business, and hence no apportionment has been made. Remuneration is disclosed in full within the accounts of RUKSL.

9. Tax credit on loss on ordinary activities**a) Tax credit to the statement of comprehensive income**

	2022 £'000	2021 £'000
Current taxation		
UK corporation tax	-	(5)
Adjustments in respect of prior years	1	5
Total current tax credit for the year	1	-
Deferred taxation		
Origination and reversal of timing difference	(1)	-
Adjustments in respect of prior years	(1)	-
Change in rate	(1)	-
Total deferred tax charge for the year	(3)	-
Tax on (loss)/profit on ordinary activities	(2)	-

b) Reconciliation of tax credit on loss before tax

The tax assessed for the year is higher (2021: lower) than the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%). The differences are explained below:

	2022 £'000	2021 £'000
(Loss)/profit before tax	(4)	18
Tax on (loss)/profit at 19.00% (2021: 19.00%)	(1)	3
Difference due to effects of:		
Disallowable expenses	(1)	-
Origination and reversal of timing differences	-	(8)
Adjustment in respect of prior years	-	5
Total tax credit for the year	(2)	-

10. Deferred tax assets

	Tax losses £'000	Timing differences £'000	Deferred tax assets £'000
At 1 January 2022	-	-	-
Adjustment to opening balance	-	2	2
Change in rate	1	-	1
Charged to income statement for the year	2	(2)	-
At 31 December 2022	3	-	3

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An announcement was made in the UK Budget, March 2021 and enacted on 10 June 2021 to increase the rate of corporation tax to 25% from 1 April 2023. Accordingly, the relevant deferred tax balances have been remeasured taking the 25% rate into account.

The Deferred Tax Asset ("DTA") is recognised on the basis that the group is projected to have future taxable profits and therefore the expected future tax losses that give rise to the DTA can be utilised. Deferred tax assets are recognised only when projections indicate that it is more likely than not that timing differences will reverse, or losses will be relieved within the group.

11. Trade and other receivables

	2022	2021
	£'000	£'000
Trade receivables	-	-
Amounts owed by group undertakings	-	32
Prepayments and accrued income	-	25
	<u>-</u>	<u>57</u>

These balances are receivable within one year from the balance sheet date. The receivables from related parties are repayable on demand and bear no interest.

12. Cash and cash equivalents

	2022	2021
	£'000	£'000
Cash at bank	<u>4,590</u>	<u>4,676</u>

There are no amounts included in the cash and cash equivalents balances that are not readily available.

13. Provisions for other liabilities and charges

	Restructuring £000's
At 1 January 2022	63
Utilisation of provision	(40)
Release of provision	(23)
At 31 December 2022	<u>-</u>
	Restructuring £000's
At 1 January 2021	63
At 31 December 2021	<u>63</u>

In 2018, a provision of £10.4m for severance costs associated with the integration of the Company into the ReAssure Division (following the sale of the Company from the Guardian Group to ReAssure in 2016) was included in restructuring costs. Employees were provided with the option of taking redundancy at certain pre-agreed dates. Those optional dates have now passed, meaning that employees have now either taken redundancy or, have opted to continue to be employed by the Group. As at 31st December 2021, there was 1 resource remaining who had the option to take redundancy up until March 2022 therefore, the £63k remaining provision has been classified as a current liability on the Statement of Financial Position. The remaining provision balance has since been utilised or released during the year ended 31 December 2022.

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14. Trade and other payables

	2022	2021 (Restated)*
	£'000	£'000
Amounts owed to group undertakings	48,326	48,396
Current income tax liabilities	-	5
	<u>48,326</u>	<u>48,401</u>

*Please refer to note 3 for further details of the restatement.

These balances are payable within one year from the balance sheet date. The payables to related parties are repayable on demand and bear no interest.

15. Share capital

	2022	2021
	£'000	£'000
Issued and fully paid		
100,000 (2021: 100,000) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

The Company has one class of ordinary shares which carry no right to fixed income.

16. Management of financial risk

The following have been defined as key business risks:

Credit risk is significantly reduced as assets are primarily intercompany receivables due from other companies within the Group, all of which were deemed to have access to sufficient liquidity to be able to repay their liabilities as they fall due. The Company also holds cash placed with high credit-rated banks.

Liquidity risk is the risk that the Company may have insufficient liquid assets to meet its liabilities as they become due. *Following the repayment of the intercompany borrowings during the year, the Company does not have any material liabilities.*

In the event of any new liabilities arising, this risk would be mitigated through management of cash and receivables within the Group to ensure that sufficient resources are available to meet the liabilities of the Company.

	No fixed term	< 1 Year
	£'000	£'000
As at 31 December 2022		
Trade and other receivables	-	-
Cash and cash equivalents	-	4,590
Total assets	<u>-</u>	<u>4,590</u>
Trade and other payables	48,326	-
Total liabilities	<u>48,326</u>	<u>-</u>
	No fixed term	< 1 Year
	£'000	£'000
As at 31 December 2021		
Trade and other receivables	32	25
Cash and cash equivalents	-	4,676
Total assets	<u>32</u>	<u>4,701</u>
Trade and other payables*	48,401	-
Total liabilities	<u>48,401</u>	<u>-</u>

*Please refer to note 3 for further details of the restatement.

ReAssure Companies Services Limited

17. Related parties**Immediate and ultimate parent undertaking**

The Company is incorporated and domiciled in England and Wales, part of the United Kingdom. The immediate parent company is ReAssure FSH UK Limited ("RFSH"), incorporated in England and Wales.

The parent Company of the largest and smallest group in which the results of the Company are consolidated is that of PGHP, the ultimate and controlling parent undertaking of the Company. The consolidated financial statements of PGHP may be obtained on www.thephoenixgroup.com or from its registered office at 2nd floor, Old Bailey, London, EC4M 7AN.

Year-end balances with related parties

	2022	2021
		(Restated)*
	£'000	£'000
Amounts due from group undertakings		
Parent company	-	-
Other subsidiary undertakings of PGHP	-	32
Total	-	32
Amounts owed by group undertakings		
Parent company	(48,321)	(48,322)
Other subsidiary undertakings of PGHP	(5)	(74)
Total	(48,326)	(48,396)

*Please refer to note 3 for further details of the restatement.

Year end balances with related parties primarily relate to historic balances payable to the Company's immediate parent company RFSH. These amounts relate to cash injections provided to the Company in order to fund expenses incurred on behalf of other entities in the Group.

18. Post Balance Sheet Events

The Directors are not aware of any significant post balance sheet events that require disclosure in the financial statements.