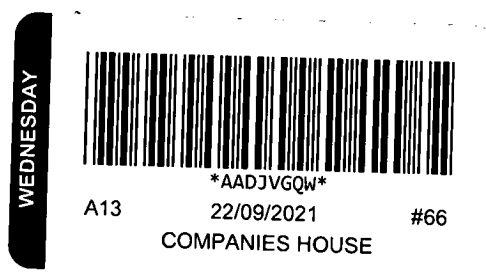


REGISTERED NUMBER: 07077821 (England and Wales)

**Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2020
for
Gateway Specialist Advice Services
Limited**



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

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**Gateway Specialist Advice Services
Limited**

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

DIRECTORS:

M L F Golunska
S J Harris

SECRETARY:

Aviva Company Secretarial Services Limited

REGISTERED OFFICE:

Aviva
Wellington Row
York
YO90 1WR

REGISTERED NUMBER:

07077821 (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**

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

REVIEW OF BUSINESS

Principal activities

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

The principal activity of the Company whilst trading was the provision of financial advice on pensions and equity release products principally to UK residents. The Company was subject to Financial Conduct Authority ("FCA") regulation as an appointed representative of Sesame Limited, a fellow SBG subsidiary. Whilst operations ceased in 2015, during the year the Company continued to receive trail commission relating to products sold in prior years.

Significant events

The Company was established to provide financial advice on pensions and equity release products principally to UK residents. On 19 January 2015 it was announced that the Company was to cease trading. Following the announcement, the Company stopped accepting new business referrals and an orderly wind down of its operations commenced. All operations ceased on 30 April 2015.

Financial position and performance

The financial position of the Company at 31 December 2020 is shown in the Balance Sheet on page 14, with the trading results shown in the Income Statement on page 12.

The Company's net liabilities have reduced by £208k due to the profit for the financial year. The profit for the financial year includes a £199k release associated with a creditor balance waived by a fellow SBG subsidiary during the year.

Revenue for the year of £9k (2019: £7k) relates to trail commission received from product providers relating to products sold by the Company in prior years. In accordance with the terms of the Company's network membership agreement, Sesame Limited stopped paying renewal commission to the Company in December 2020.

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 to its 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.

REVIEW OF BUSINESS - continued

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.

Key strategic decisions, announcements and achievements in 2020

In addition to specific adviser related initiatives during 2020 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.

REVIEW OF BUSINESS - continued

Stakeholder Engagement

(i) Employees

The Company has no employees. Staff engaged in the activities related to 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 the 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 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 Aviva Group supply chain and approves the Aviva Group's Modern Slavery Act statement each year.

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

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

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

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

SBG maintains a close relationship with the regulator both directly and via its relationship with Aviva. SBG notifies the FCA of any material issues that the FCA would reasonably expect notice of via its own internal processes, in conjunction with Aviva UK Life's Compliance Team.

Future outlook

In accordance with the terms of the Company's network membership agreement, Sesame Limited stopped paying renewal commission to the Company in December 2020. The Company will be dormant in 2021 and the directors expect it to remain so in future periods.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk for the Company is that its parent entity does not continue to provide financial support to ensure the Company is able to meet its obligations as they fall due.

KEY PERFORMANCE INDICATORS

All operations ceased on 30 April 2015 and, as a non-trading entity, the directors do not consider analysis using key performance indicators to be necessary for the understanding of the performance or position of the business.

ON BEHALF OF THE BOARD:



M L F Golunska - Director

28 July 2021

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

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 dividends will be distributed for the year ended 31 December 2020 (2019: £nil).

DIRECTORS

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

M L F Golunska - appointed 29 June 2020

S J Harris - appointed 29 June 2020

J Cowan - resigned 1 July 2020

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 by 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.

GOING CONCERN

In assessing whether the Company is a going concern the directors have taken into account the Financial Reporting Council's guidance issued in April 2016, titled Guidance on the Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks.

All operations ceased on 30 April 2015. The Company will be dormant in 2021 and the directors expect it to remain so in future periods. Consequently, the directors do not consider that the Company is a going concern and these financial statements have been prepared on a basis other than a going concern.

FINANCIAL RISK MANAGEMENT POLICY

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

Credit risk

The Company has no significant exposure to credit risk.

Market risk

The Company has no exposure to market risk including foreign exchange rate movements.

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 is reliant on its immediate parent entity to maintain liquidity.

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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.

As explained in note 1 of the financial statements, the directors do not consider the going concern basis to be appropriate and these financial statements have not been prepared on a going concern basis.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each director in office at the date the Report of the Directors 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, Gateway Specialist Advice 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 for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Income Statement, Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

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.

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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Testing of journal entries which contained unusual account combinations back to corroborating evidence; and
- Discussions with management and those charged with governance to identify any known or suspected instances of non-compliance with laws and regulation and fraud.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's 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

**Gateway Specialist Advice Services
Limited (Registered number: 07077821)**

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

	Note	2020 £'000	2019 £'000
TURNOVER		9	7
Administrative expenses		<u>199</u>	<u>-</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	4	208	7
Tax on profit	5	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>208</u></u>	<u><u>7</u></u>

The notes on pages 16 to 21 form part of these financial statements

**Gateway Specialist Advice Services
Limited (Registered number: 07077821)**

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

	2020 £'000	2019 £'000
PROFIT FOR THE FINANCIAL YEAR	208	7
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>208</u>	<u>7</u>

The notes on pages 16 to 21 form part of these financial statements

**Gateway Specialist Advice Services
Limited (Registered number: 07077821)**

**Balance Sheet
As at 31 December 2020**

	Note	2020 £'000	2019 £'000
CURRENT ASSETS			
Debtors	7	98	7
Cash at bank and in hand		-	83
		98	90
CREDITORS			
Amounts falling due within one year	8	(968)	(1,168)
NET CURRENT LIABILITIES		<u>(870)</u>	<u>(1,078)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(870)</u>	<u>(1,078)</u>
CAPITAL AND RESERVES			
Called up share capital	10	200	200
Share premium account	11	2,000	2,000
Accumulated losses	11	(3,070)	(3,278)
SHAREHOLDERS' DEFICIT		<u>(870)</u>	<u>(1,078)</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 16 to 21 form part of these financial statements

**Gateway Specialist Advice Services
Limited (Registered number: 07077821)**

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

	Called up share capital £'000	Accumulated losses £'000	Share premium account £'000	Total equity £'000
Balance at 1 January 2019	200	(3,285)	2,000	(1,085)
Changes in equity				
Profit for the financial year and total comprehensive income	-	7	-	7
Balance at 31 December 2019	<u>200</u>	<u>(3,278)</u>	<u>2,000</u>	<u>(1,078)</u>
Changes in equity				
Profit for the financial year and total comprehensive income	-	208	-	208
Balance at 31 December 2020	<u>200</u>	<u>(3,070)</u>	<u>2,000</u>	<u>(870)</u>

The notes on pages 16 to 21 form part of these financial statements

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

I. ACCOUNTING POLICIES

Reporting entity

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

Basis of preparation

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

As noted in the Going Concern section of the Report of the Directors these financial statements have been prepared on a basis other than a going concern, as was the case in the prior year. In a prior year all assets were recorded at recoverable value and liabilities at settlement value. Recoverable value was calculated by considering the resale value of fixed assets and the subsequent recovery of debtors after the Balance Sheet date. Settlement value of liabilities was calculated with reference to events since the Balance Sheet date. No further adjustments were required in the current year.

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

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

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

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 annual reporting period beginning on 1 January 2020.

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

1. ACCOUNTING POLICIES - continued

Standards, interpretations and amendments to published standards that are not yet effective and have not been adopted early by the Company

The following new standards have been issued, are not yet effective, and are not expected to have a significant impact on the Company's financial statements:

- IFRS 17, Insurance Contracts - IFRS 17 is a comprehensive new accounting standard for insurance contracts 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

All operations ceased on 30 April 2015. The Company will be dormant in 2021 and the directors expect it to remain so in future periods. Consequently, the directors do not consider that the Company is a going concern and therefore these financial statements have been prepared on a basis other than a going concern.

Turnover

Turnover, principally comprising commission income, represents the amounts, excluding value added tax where applicable, derived from products sold and accepted by providers of such products, from the Company's principal activity, together with other sundry income and relates to continuing operations in the United Kingdom. Commission revenue is recognised when it becomes receivable.

Income taxes

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

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

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

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

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

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

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

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.

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

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

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

3. **EMPLOYEES AND DIRECTORS**

The Company has no employees and therefore there were no staff costs for the year ended 31 December 2020 (2019: £nil). The directors holding office during the year ended 31 December 2020 were employed by, and received their emoluments from Sesame Services Limited, a fellow SBG subsidiary. The directors holding office during the year ended 31 December 2020 consider their services to the Company to be incidental to their other duties and accordingly no remuneration has been apportioned to the Company (2019: £nil).

4. **PROFIT BEFORE TAXATION**

Auditors' remuneration for audit services of £8,500 excluding VAT (2019: £7,500) has been borne by a fellow SBG subsidiary and not recharged to the Company as was the case in the prior year. There were no non-audit fees in either year.

5. **TAX ON PROFITS**

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Factors affecting the tax expense

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

	2020 £'000	2019 £'000
Profit before taxation	<u>208</u>	<u>7</u>
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	40	1
Effects of:		
Unrecognised tax losses	(2)	(1)
Non-taxable income	<u>(38)</u>	<u>-</u>
Total tax expense	<u>-</u>	<u>-</u>

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

5. TAXATION - 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 remained at 19%.

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.

As the Company has no deferred tax assets or liabilities at the year end, there is no impact on the Company's net assets as a consequence of the amendments in the tax rates.

The Company has unrecognised temporary differences of £2,111,331 (2019: £2,119,422) relating to tax losses to carry forward against future taxable income.

A deferred tax asset has not been recognised due to the lack of available future profits to utilise the cumulative tax losses against.

6. INTANGIBLE FIXED ASSETS

GOODWILL	2020	2019
	£'000	£'000
COST		
At 1 January and 31 December	<u>1,059</u>	<u>1,059</u>
ACCUMULATED AMORTISATION		
At 1 January	1,059	1,059
Charge for the year	-	-
Impairment	-	-
As at 31 December	<u>1,059</u>	<u>1,059</u>
NET BOOK VALUE		
As at 31 December	<u>-</u>	<u>-</u>

7. DEBTORS

	2020	2019
	£'000	£'000
Trade receivables	<u>98</u>	<u>7</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Other loans (see note 9)	968	969
Trade payables	<u>-</u>	<u>199</u>
	<u>968</u>	<u>1,168</u>

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

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Other loans comprise amounts due to Sesame Limited.

In accordance with the decision not to prepare the financial statements on a going concern basis these loan balances were reclassified as current liabilities in a prior year.

Interest of £104,581 has been accrued on the outstanding loan balances and is included in the closing balance due at 31 December 2020 (2019: £104,581). With the Company no longer trading and the financial statements not being prepared on a going concern basis, Sesame Limited fully provided for all loan balances due to it from the Company in a prior year. Further interest has not been accrued by either party during the current or prior year.

Further information relating to amounts owed to group undertakings is detailed in the Related Party Disclosures in Note 13.

9. FINANCIAL LIABILITIES - BORROWINGS

	2020 £'000	2019 £'000
Current:		
Other loans	<u>968</u>	<u>969</u>

Terms and debt repayment schedule at 2020 and 2019:

	1 year or less £'000
Other loans	<u>968</u>

10. CALLED UP SHARE CAPITAL

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

11. RESERVES

	Accumulated losses £'000	Share premium account £'000	Totals Totals £'000
At 1 January 2020	(3,278)	2,000	(1,278)
Profit for the financial year	<u>208</u>	<u>-</u>	<u>208</u>
At 31 December 2020	<u>(3,070)</u>	<u>2,000</u>	<u>(1,070)</u>

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

12. ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is Sesame 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.

13. RELATED PARTY DISCLOSURES

Amounts due to controlling parties:	2020 £'000	2019 £'000
Sesame Limited	<u>968</u>	<u>969</u>

Interest accrued on outstanding loans balances at the Balance Sheet date is as follows:

	2020 £'000	2019 £'000
Sesame Limited	<u>105</u>	<u>105</u>