

COMPANY REGISTRATION NUMBER: 10902383

Resolution Life Group Services Ltd.
Annual Report and Financial Statements
For the year ended
31 December 2022

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Resolution Life Group Services Ltd.
Annual Report and Consolidated Financial Statements
Year ended 31 December 2022

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Resolution Life Group Services Ltd.

Strategic Report

Year ended 31 December 2022

The directors present their strategic report and audited financial statements of Resolution Life Group Services Ltd. ("The Company") and its subsidiaries (together "The Group") for the year ended 31 December 2022.

Principal activity

The principal activity of The Company is that of a service company which supports its indirect parent; Resolution Life Group Holdings Limited (and other entities under common control, collectively the "Resolution Life Group"). The Resolution Life Group is a global life insurance group focusing on the acquisition and management of in force life insurance policies and operates through three core insurance platforms: Australasia, Bermuda and the United States. The Company employs UK based personnel and assists the Resolution Life Group with analysis relating to its investments, research and operational or administrative support. This will be The Company's principal activity for the foreseeable future.

The Company has four subsidiaries, Resolution (Brands) Limited, Resolution Operations LLP, Resolution Life IP Limited and Resolution Life Services Canada Inc., the results of which are included in these consolidated financial statements. Their principal activities are set out below:

Subsidiary	Principal activity
Resolution (Brands) Limited ("RBL")	To provide trademark licensing to other entities under common ownership in the UK, Canada, US, Bermuda, Australia and New Zealand.
Resolution Operations LLP ("ROL")	To carry out FCA regulated activities within the Resolution Life Group, primarily supporting the ultimate parent Resolution Life Group Holdings LP, a Bermuda based alternative investment fund.
Resolution Life Services Canada Inc. ("RLSC")	To employ individuals in Canada working on the digital transformation project.
Resolution IP Limited ("RLIP")	To develop intellectual property in relation to The Resolution Life Group's digital transformation strategy.

Fair review of The Group's business

The Group has experienced sustained growth over the year in order to service the expanding needs of the Resolution Life Group, as it establishes itself as a globally-diversified mature life insurance specialist. These services consisted of:

- Supporting the Blackstone transaction which was signed in the period as well as the fundraising activities which commenced from that point (detailed under 'Future Developments');
- Supporting platform level acquisition and reinsurance pipeline activities and transactions;
- Supporting a digital transformation strategy for the business platforms to become data driven, artificial intelligence ("AI") enabled and agile organisations, focused on improving customer outcomes;
- Supporting the Resolution Life Group's with its ongoing regulatory reporting requirements; and
- Supporting a strategic pipeline of M&A activities with a view to closing further acquisitions and reinsurance transactions for execution in 2023.

Resolution Life Group Services Ltd.

Strategic Report *(continued)*

Year ended 31 December 2022

The Company continues to receive service fee revenue from Resolution Life Group Holdings Limited based in Bermuda. The Company continues to receive service fee revenue from the Resolution Life Group's insurance platforms based in the United States and Australasia. The Group makes a profit and assuming the same arrangements with its affiliates continue, it expects to continue to do so in future years.

The Company established a branch in Switzerland, called 'Resolution Life Group Services Ltd, London, Horgen branch' which was registered in Zurich, Switzerland, on 22 March 2022 (the 'RLGS Swiss branch'). The RLGS Swiss Branch was established to provide internal group support and supporting services regarding business activities and management in favour of companies in The Group, which include services that are provided via The Group's Chief Financial Officer who is resident in Switzerland and who performs business activities as part of his role partially from the registered office of the RLGS Swiss branch in Switzerland.

The Company closed its representative office in Singapore on 31 March 2023. Having explored whether the market opportunities in the Group's core target Asian markets would support a business case for Resolution Life to apply for an insurance licence in Singapore, it was identified that the reserving and capital requirements of the Singapore Risk Based Capital (RBC2) regime resulted in disadvantageous treatment for the long duration life business which is of interest to Resolution Life. The Company intends to maintain contact with the regulator regarding these rules, and should any RBC2 changes be made the Company may reconsider a Singapore presence in future years.

Key performance indicators

The directors consider the below key performance indicators relevant to The Group and its activities:

- Year on year revenue is indicative of the Resolution Life Group's expanding support requirements linked to its sustained growth through acquisition and reinsurance.
- Revenue growth is also indicative of the Resolution Life Group's progression to maturity as a Bermuda Monetary Authority group regulated organisation.
- Operating profit margin is indicative of the level of the Group's services which attract a mark-up, derived from its staff and staff related costs. Costs for the year have increased compared to the prior year, which is matched with an increase in revenue. The operating profit margin has remained reasonably consistent with the prior year.
- The current ratio (current asset /current liabilities) reflects that the service fee arrangements, which are invoiced quarterly in advance, provide sufficient liquidity for The Group to meet its short-term liabilities as they fall due.

Group Key performance indicator	2022	2021
Revenue (£'000)	94,889	72,320
Operating profit margin	4.32%	4.49%
Revenue growth	31%	36%
Current ratio	1.17	1.18

Operating profit margin is derived by dividing operating profit by turnover.

Current ratio is calculated by dividing total current assets by total current liabilities.

Resolution Life Group Services Ltd.

Strategic Report *(continued)*

Year ended 31 December 2022

Future developments

On 12 October 2022, The Resolution Life Group entered into an agreement with Rome Holdco L.P. ("Blackstone") to sell the shares of RLGH Limited and the other subsidiaries of RLGH LP to a newly-formed Bermuda-domiciled partnership ("Blackstone ISG Investment Partners - R(BMU) L.P." or the "New Partnership" in a transaction valuing The Resolution Life Group at more than \$6 billion, subject to certain adjustments. Closing is subject to regulatory approvals and anticipated to occur in the second half of 2023.

There is no foreseen operational impact to the Group and its entities.

Principal risks and uncertainties facing The Group

The principal risk facing The Company (and therefore The Group) arises from a reduced demand for its services from the Resolution Life Group. This is influenced by any reduced centralised service requirements from the platforms and affiliates in Bermuda including M&A, financing, regulatory and administrative activities. *We are however of a view that the risk is low and these service requirements will continue in light of the Resolution Life Group's strategy and market positioning.* Moreover, the Resolution Life Group has a strong M&A pipeline and a continued requirement to support the Platform transactions and integrate any acquired businesses thereafter.

Collectively, Blackstone and the Resolution Life Group have raised \$3 billion of new equity interests in the new partnership which closed in April 2023 including a strategic investment of \$500 million subordinated debt and is expected to be contributed in exchange for equity upon closing. Closing is subject to regulatory approvals and anticipated to occur in the second half of 2023.

Section 172 statement

The directors acknowledge that they must act in a way they consider, in good faith, is most likely to promote the success of the Group for the benefit of its members while also considering the broad range of stakeholders who interact with and are impacted by our business. Throughout the year, the directors considers the matters while discharging their duties, section 172(1) requires directors to have regard, amongst other matters, to the:

The likely consequences of any decision in the long term

The directors recognise that the decisions they make today will affect the Company and Group's long term success. The Resolution Life Group has made long term promises to its customers which resonates its subsidiaries, and in turn is reflected in the decision making of the directors of this Company.

The interests of the Company's employees

The Resolution Life Group and the Company aim to offer its people a career, not just a job. The learning and development opportunities offered include sponsoring post graduate qualifications, supporting the completion of executive-level short courses, enabling staff to attend conferences and educational events, online learning, on the job training, and mentoring by highly experienced business leaders.

The need to foster the Company's business relationships with suppliers, customers and others

The Company provides services to other entities in The Resolution Life Group, therefore these other entities are the customers for this entity. The Company's suppliers are a key stakeholder to the entity, and our robust financial procedures aim for timely payment of invoices within our controlled environment.

The impact of the Company's operations on the community and the environment

In 2022, RLGH Limited became a signatory to the United Nations-supported Principles for

Resolution Life Group Services Ltd.

Strategic Report *(continued)*

Year ended 31 December 2022

Responsible Investment ("PRI"). Signing the internationally recognised PRI demonstrates a commitment to responsible investing while building a more sustainable financial system. As part of this signatory status the Resolution Life Group has put in place clear governance structures, including: Board and management oversight, quarterly global scorecards, a risk management framework that manages climate-related risks, and a Resolution Life Group ESG policy. The Group encourages ESG awareness in the context of its business with employees, investors, asset managers, service providers and other stakeholders through internal training and discussions on ESG issues.

The desirability of the Company maintaining a reputation for high standards of business conduct

The directors acknowledge their responsibility for setting and monitoring the culture, values and reputation of the Company. Risk management is central to everything that is done at The Resolution Life Group and is therefore embedded into the policies and procedures of the company. Adherence to these policies and procedures, including regular reviews, is key in maintaining a good reputation.

The need to act fairly as between members of the Company

After weighing up all relevant factors, the directors consider which course of action best enables delivery of our strategy in the long-term interests of the Company, taking into consideration the effect on stakeholders. In doing so, our directors aim to act fairly between the Company's members.

This report was approved by the board of directors on 26 September 2023 and signed on behalf of the board by:



N S Sangha
Director

Registered office:
The Caxton 1 Brewers Green
3rd Floor
London
UK
SW1H 0RH

Resolution Life Group Services Ltd.

Directors' Report

Year ended 31 December 2022

The directors present their report and the annual report and financial statements of The Group for the year ended 31 December 2022.

Directors

The directors who served The Company during the year and up to date of this report are as follows:

J S Moss
N S Sangha
C T Singleton (appointed 8 September 2022)
M Beer (appointed 30 June 2023)
S R J Woods (resigned 29 September 2022)

Dividends

The directors do not recommend the payment of a dividend (2021 - £nil).

Future developments

Details of future developments can be found in the Strategic Report on page 2 and form part of this report by cross reference.

Streamlined energy and carbon reporting

Under the requirements of Streamlined Energy and Carbon Reporting (SECR) The Group's energy consumption in the UK during the period is shown below.

Greenhouse gas "GHG" emissions and energy usage

GHG emissions and energy usage data #		
UK and offshore	2022	2021
Emissions from electricity purchased for own use, including for the purposes of transport (Scope 2 – tonnes of CO ₂ e)	2.10	19.90
Total gross CO₂e based on above	2.10	19.90
Energy consumption used to calculate emissions - kwh	80,660	86,017
Intensity measurement (tonnes of CO ₂ e per full time equivalent (FTE))	91.50	113.40
Average number of FTEs during the period	102	83

The above data is an output from the 2022 Carbon Inventory produced by an independent carbon, energy and sustainability consultants Green Moves Australia, compiled in accordance with The GHG Protocol: A Corporate Accounting and Reporting Standard and the International Standards Organisation ISO 14064-1:2018.

Emissions from electricity decreased in 2022 because a greater portion of energy was sourced from renewable sources.

Emissions from combustion of gas and combustion of fuel for transport purposes are out of scope because The Company does not utilise gas in its premises or reimburse staff for fuel for rental cars or own cars used for business travel.

Resolution Life Group Services Ltd.

Directors' Report *(continued)*

Year ended 31 December 2022

Energy Efficiency Actions

The Group is committed to responsible energy management and recognises the challenges that climate change poses to current and future generations. The Company utilises office space that supports its environmental efficiency profile via measures to control and mitigate its levels of CO2 emissions. The office lessor meets the requirements of BREEM 2014 and achieves an Excellent rating. The premises benefits from several environmental initiatives, including solar photovoltaics, combined heat and power (CHP) engine, cycle storage, LED lighting and a green roof. Other actions include the placement of recycling bins throughout the office space and granting employees interest free cycling scheme loans.

The Group has an ESG workstream with Board and Management oversight, which implements, enhances and monitors sustainability throughout the Resolution Life Group. The Resolution Life Group has a group environmental, social and governance ESG policy and a Responsible Investment policy, which guides the ESG initiatives undertaken. The Resolution Life Group published its "Approach to Sustainability" report in June 2023. The Group encourages ESG awareness in the context of its business with employees, investors, asset managers, service providers and other stakeholders through internal training and discussions on ESG issues.

The Group engaged with Green Moves Australia, an independent carbon, energy and sustainability consultant to undertake a Global GHG Inventory for 2022 (and 2021 retrospectively), which was compiled in accordance with The GHG Protocol: A Corporate Accounting and Reporting Standard and the International Standards Organisation ISO 14064-1:2018.

Financial instruments

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Credit risk

The Group's principal financial assets are cash and cash equivalents and trade and other receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment would be made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Group minimises the risk by holding foreign currency bank accounts and by matching its foreign currency revenue to its costs in the same currency.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, The Group invoices for its services in advance based on current cost forecasts.

Resolution Life Group Services Ltd.

Directors' Report *(continued)*

Year ended 31 December 2022

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 26 to the annual report and consolidated financial statements.

Engagement with suppliers, customers and others

The Group has engaged with its key suppliers and other stakeholders during the year via a combination of face to face and video conference calls in order to foster sound business relationships and keep them abreast of relevant business developments. The Group also categorises its supplier relationships according to risk and impact, based on which it adapts its approach to supplier management.

Disclosure of information in the strategic report

In accordance with s414c of the Companies Act The Group has included within the strategic report an indication of The Group's principal activities, a fair review of The Group's business and anticipated future developments.

The strategic report also includes the principal risks and uncertainties faced by The Group, along with an assessment of The Group's exposure to those risks.

Political donations

The Company has made no political donations during the year.

Charitable donations

The Company has made no charitable donations during the year.

Going Concern

The directors believe that The Group is a going concern in light of its ongoing service arrangements with the Resolution Life Group, its own financial stability and that of the Resolution Life Group and demand for The Group's services. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these financial statements.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in UK and the Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of The Company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;

Resolution Life Group Services Ltd.

Directors' Report *(continued)*

Year ended 31 December 2022

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that The Company will continue in business; and
- ensure applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

This report was approved by the board of directors on 25 September 2023 and signed on behalf of the board by:



N S Sangha

Director

Registered office:

The Caxton 1 Brewers Green
3rd Floor
London
UK
SW1H 0RH

Resolution Life Group Services Ltd.

Independent Auditor's Report to the Members of Resolution Life Group Services Ltd.

Year ended 31 December 2022

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Resolution Life Group Services Ltd (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of comprehensive income;
- the consolidated and parent company statements of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 26.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 group's and the parent 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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information

Resolution Life Group Services Ltd.

Independent Auditor's Report to the Members of Resolution Life Group Services Ltd. (continued)

Year ended 31 December 2022

contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 group's and the parent 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 Group or The Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

Resolution Life Group Services Ltd.

Independent Auditor's Report to the Members of Resolution Life Group Services Ltd. (continued)

Year ended 31 December 2022

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the group's operating licence and FCA regulatory requirements.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or

Resolution Life Group Services Ltd.

Independent Auditor's Report to the Members of Resolution Life Group Services Ltd. *(continued)*

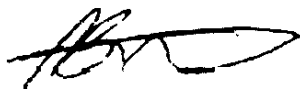
Year ended 31 December 2022

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Bowker FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
26 September 2023

Resolution Life Group Services Ltd.
Consolidated Statement of Comprehensive Income
Years ended 31 December 2022 and 2021

		2022	2021
	Note	£	£
Turnover	4	94,888,801	72,320,123
Administrative expenses		(90,962,641)	(69,153,681)
Other operating income	5	169,158	78,274
Operating profit	6	4,095,318	3,244,716
Other interest receivable and similar income	10	2,264	55,203
Interest payable and similar expenses	11	(5,787)	(198)
Profit before taxation		4,091,795	3,299,721
Tax on profit	12	(560,265)	(575,939)
Profit for the financial year		<u>3,531,530</u>	<u>2,723,782</u>
<i>Other comprehensive income:</i>			
Foreign currency translation		(85,566)	139
Total comprehensive income for the year		<u>3,445,964</u>	<u>2,723,921</u>

All the activities of The Group in both years are from continuing operations.

All profits are attributable to equity owners of The Group.

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.
Consolidated Statement of Financial Position
31 December 2022 and 2021

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	4,254,015	2,179,788
Tangible assets	14	439,656	530,401
		<u>4,693,671</u>	<u>2,710,189</u>
Current assets			
Debtors	16	19,349,553	26,770,841
Cash at bank and in hand		22,559,568	3,736,323
		<u>41,909,121</u>	<u>30,507,164</u>
Creditors: amounts falling due within one year	17	(35,864,170)	(25,910,647)
Net current assets		<u>6,044,951</u>	<u>4,596,517</u>
Total assets less current liabilities		<u>10,738,622</u>	<u>7,306,706</u>
Creditors: amounts falling due after more than one year	18	(86,630)	(100,678)
Net assets		<u><u>10,651,992</u></u>	<u><u>7,206,028</u></u>
Capital and reserves			
Called up share capital	21	2	2
Profit and loss account		10,651,990	7,206,026
Shareholder's funds		<u><u>10,651,992</u></u>	<u><u>7,206,028</u></u>

The annual report and consolidated financial statements were approved by the board of directors and authorised for issue on 22 September 2023, and are signed on behalf of the board by:

J S Moss
Director

Company registration number: 10902383

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.

Company Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	439,656	530,401
Investments	15	150,002	150,002
		<u>589,658</u>	<u>680,403</u>
Current assets			
Debtors	16	23,083,477	31,040,673
Cash at bank and in hand		21,871,428	3,429,114
		<u>44,954,905</u>	<u>34,469,787</u>
Creditors: amounts falling due within one year	17	<u>(35,216,383)</u>	<u>(28,044,866)</u>
Net current assets		<u>9,738,522</u>	<u>6,424,921</u>
Total assets less current liabilities		<u>10,328,180</u>	<u>7,105,324</u>
Creditors: amounts falling due after more than one year			
	18	<u>(86,630)</u>	<u>(100,678)</u>
Net assets		<u><u>10,241,550</u></u>	<u><u>7,004,646</u></u>
Capital and reserves			
Issued, called up and fully paid share capital (£1 par value)	21	2	2
Profit and loss account		10,241,548	7,004,644
Shareholder's funds		<u><u>10,241,550</u></u>	<u><u>7,004,646</u></u>

The profit for the financial year of the parent company was £3,236,904 (2021: £2,67,906).

The annual report and consolidated financial statements were approved by the board of directors and authorised for issue on 22 September 2023, and are signed on behalf of the board by:

J S Moss
Director

Company registration number: 10902383

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The Company's statement of comprehensive income has nonetheless been approved by the directors.

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.
Consolidated Statement of Changes in Equity
Year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2021	2	4,482,105	4,482,107
Profit for the year	—	2,723,782	2,723,782
Other comprehensive income for the year:			
Foreign currency translation	—	139	139
Total comprehensive income for the year	—	2,723,921	2,723,921
At 31 December 2021	2	7,206,026	7,206,028
Profit for the year	—	3,531,530	3,531,530
Other comprehensive income for the year:			
Foreign currency translation	—	(85,566)	(85,566)
Total comprehensive income for the year	—	3,445,964	3,445,964
At 31 December 2022	<u>2</u>	<u>10,651,990</u>	<u>10,651,992</u>

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.

Company Statement of Changes in Equity

Year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2021	2	4,396,738	4,396,740
Profit for the year		2,607,906	2,607,906
Total comprehensive income for the year	—	2,607,906	2,607,906
At 31 December 2021	2	7,004,644	7,004,646
Profit for the year		3,236,904	3,236,904
Total comprehensive income for the year	—	3,236,904	3,236,904
At 31 December 2022	2	10,241,548	10,241,550

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.

Consolidated Statement of Cash Flows

Year ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the financial year		3,531,530	2,723,782
<i>Adjustments for:</i>			
Depreciation of tangible assets	14	90,745	116,927
Other interest receivable and similar income	10	(2,264)	(55,203)
Interest payable and similar expenses	11	5,787	198
Unrealised foreign currency (gain)/loss		(90,512)	3,538
Tax on profit	12	564,590	575,939
Accrued expenses		5,637,614	12,428,866
<i>Changes in:</i>			
Trade and other debtors		8,417,573	(22,184,146)
Trade and other creditors		3,740,996	9,158,785
Cash generated from /(used in) operations		21,896,059	2,768,686
Interest paid	11	(5,787)	(198)
Interest received	10	2,264	55,203
Tax paid		(995,064)	(823,882)
Net cash from/(used in) operating activities		<u>20,897,472</u>	<u>(1,999,809)</u>
Cash flows from investing activities			
Purchase of intangible assets	13	(2,074,227)	(2,179,788)
Net cash used in investing activities		<u>(2,074,227)</u>	<u>(2,179,788)</u>
Net decrease in cash and cash equivalents		18,823,245	(179,979)
Cash and cash equivalents at beginning of year		3,736,323	3,916,302
Cash and cash equivalents at end of year		<u>22,559,568</u>	<u>3,736,323</u>

There were no cashflows from financing activities during the current or previous period.

The notes on pages 19 to 32 form part of the annual report and consolidated financial statements.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements

Year ended 31 December 2022

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Caxton 1 Brewers Green, 3rd Floor, London, SW1H 0RH, England.

2. Statement of compliance

These consolidated financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland and in compliance with the requirements of Companies Act 2006.

3. Accounting policies

Basis of preparation

The consolidated and separate financial statements (hereafter the "Financial Statements"), have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The Financial Statements are prepared in sterling, which is the functional and presentational currency of The Company. They are presented with rounding to the nearest £.

Going concern

The Financial Statements have been prepared on a going concern basis as the directors believe that the services of The Group will be of continuing importance to the wider Resolution Life Group, in light of current operations, its increasing regulatory requirements, its pipeline of acquisitions and their respective support requirements. Furthermore, the Resolution Life Group is well funded and able to continue to support The Group's operations via its service fee arrangements. The Russia-Ukraine war is resulting in increased geo-political and economic uncertainty, however The Group has not identified any material impact of this on The Group or the going concern assumption.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102 in respect of the parent company's own results:

- (a) Only one reconciliation of the number of shares has been presented as the reconciliations for The Group and parent company would be identical.
- (b) No cash flow statement has been presented for the parent company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the result of the Company and all of its subsidiary undertakings. Intercompany transactions and balances between The Group companies are eliminated in full.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts

Critical judgements and key sources of estimation uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the financial reporting date and the amounts reported for revenues and expenses during the year. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgements

In preparing these Financial Statements, the directors have not made any critical judgements in applying accounting policies.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Deferred tax is considered to be a risk area of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. Deferred tax assets (see note 19) are only recognised when it is considered probable that they can be recovered against future profits.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Revenue is recognised to the extent that The Company obtains the right to consideration in exchange for its performance.

Service fee income

The majority of turnover represents service fee income from the parent and other Resolution Life Group entities based on the operating costs associated with those services marked up at an externally benchmarked rate. Income is recognised when the services are provided and the associated costs are incurred.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of comprehensive income.

Foreign operations

The trading results of Group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the translation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Internally developed software is capitalised only if the identifiable asset is commercially and technically feasible, can be completed, its costs can be measured reliably and will generate probable future economic benefits. In addition to the internal costs (including all attributable direct costs), total costs also include externally contracted development work but it excludes the cost incurred in research phase. Such capitalised intangibles are recognised at cost less accumulated amortisation over a useful life of 3 to 5 years. In-process capitalised development costs are tested annually for impairment.

Tangible assets

Tangible assets comprise short leasehold property, fixtures and fitting and IT equipment. These assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	- Straight line over course of lease
Fixtures and fittings	- 10% straight line
Equipment	- 33% straight line

During the year there was no change in the Group's estimate of the residual value and economic useful lives of the tangible assets that existed at 31 December 2022.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense in the statement of comprehensive income.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in the statement of comprehensive income unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

Financial instruments

Financial assets and financial liabilities are recognised in the Consolidated statement of financial position when The Group becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at fair value on initial recognition. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period in which it arises.

4. Turnover

Turnover arises from:

	2022	2021
	£	£
Service fee income	94,783,801	72,227,623
Trademark licensing revenue	105,000	92,500
	<u>94,888,801</u>	<u>72,320,123</u>

Analysis of turnover by country of origin:

	2022	2021
	£	£
Bermuda	60,514,218	52,029,055
US	18,831,133	11,402,051
Australia	13,466,150	8,889,017
UK	11,750	—
	<u>92,823,251</u>	<u>72,320,123</u>

5. Other operating income

	2022	2021
	£	£
Other income (recharges to related parties)	<u>169,158</u>	<u>78,274</u>

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

6. Operating profit

Operating profit or loss is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible assets	90,745	116,928
Foreign exchange gains	882,070	62,276
Charges under operating leases	<u>547,877</u>	<u>547,877</u>

7. Auditor's remuneration

	2022	2021
	£	£
Fees payable for the audit of the annual report and consolidated financial statements	<u>8,025</u>	<u>7,500</u>
Fees payable to The Company's auditor and its associates for other services:		
Audit of the annual report and consolidated financial statements of associates	20,972	33,350
Fees payable for Resolution Operations LLP CASS assurance engagement	10,700	10,000
Taxation advisory services	—	44,178
	<u>31,672</u>	<u>87,528</u>

8. Staff costs

The average number of persons employed by The Group during the year, including the directors, amounted to:

	2022	2021
	No.	No.
Directors and senior managers	14	11
Other staff	58	48
	<u>72</u>	<u>59</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021
	£	£
Wages and salaries	27,003,670	22,153,442
Social security costs	2,237,701	2,345,355
Other pension costs (note 20)	667,003	500,357
	<u>29,908,374</u>	<u>24,999,154</u>

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	4,272,700	3,992,400
Company contributions to defined contribution pension plans	46,151	22,222
	<u>4,318,851</u>	<u>4,014,772</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2022	2021
	No.	No.
Defined contribution plans	<u>2</u>	<u>2</u>

Remuneration of the highest paid director in respect of qualifying services:

	2022	2021
	£	£
Aggregate remuneration	1,435,200	2,270,730
Company contributions to defined contribution pension plans	44,811	—
	<u>1,480,011</u>	<u>2,270,730</u>

10. Interest receivable and similar income

	2022	2021
	£	£
Interest on cash and cash equivalents	<u>2,264</u>	<u>55,203</u>

11. Interest payable and similar expenses

	2022	2021
	£	£
Other interest payable and similar charges	<u>5,787</u>	<u>198</u>

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

12. Tax on profit

Major components of tax expense

	2022	2021
	£	£
Current tax:		
UK current tax expense	1,379,234	930,442
Adjustments in respect of prior periods	(46,861)	1,041
Total UK current tax	1,332,373	931,483
Foreign current tax income	214,995	226,214
Adjustments in respect of prior periods	460	12,421
Total foreign tax	215,455	238,635
Total current tax	1,547,828	1,170,118
Deferred tax:		
Origination and reversal of timing differences	(832,518)	(671,908)
Impact of change in tax rate	(205,267)	77,729
Adjustment to prior year deferred tax	50,222	—
Total deferred tax	(987,563)	(594,179)
Tax on profit	560,265	575,939

The substantively enacted UK corporation tax rate at the year end date was 19% until 31 March 2023, and increased to 25% with effect from 1 April 2023. This change will impact the tax charged on the UK profits generated in 2023 and following years, as well as the rate at which deferred tax is recognised.

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022	2021
	£	£
Profit before tax	4,091,795	3,299,721
Profit on ordinary activities by rate of tax	777,441	626,947
Adjustment to tax charge in respect of prior periods	3,821	13,462
Effect of (income)/expenses not deductible for tax purposes	(10,974)	515
Effect of capital allowances and depreciation	5,782	5,983
Unrecognised deferred tax	(13,839)	(1,959)
Differing overseas tax rate	10,038	(77,729)
Impact of change in tax rate	(205,267)	8,720
Group relief	(6,737)	—
Tax on profit	560,265	575,939

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

13. Intangible assets

Group	Internally Developed Software £
Cost	
At 1 January 2022	2,179,788
Additions	2,074,227
At 31 December 2022	4,254,015
Amortisation	
At 1 January 2021 and 31 December 2021	—
Carrying amount	
At 31 December 2021	2,179,788
At 31 December 2022	4,254,015

Amortisation starts once the asset is available for use.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

14. Tangible assets

Group and company

	Short leasehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2022 and 31 December 2022	469,010	211,362	146,671	827,043
Depreciation				
At 1 January 2022	120,371	52,308	123,963	296,642
Charge for the year	46,901	21,136	22,708	90,745
At 31 December 2022	167,272	73,444	146,671	387,387
Carrying amount				
At 31 December 2021	348,639	159,054	22,708	530,401
At 31 December 2022	301,738	137,918	—	439,656

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

15. Investments

The Group has no investments.

Company	Shares in group undertakings £
Cost	
At 1 January 2022	150,001
Additions	1
At 31 December 2022	150,002
Impairment	
At 1 January 2022 and 31 December 2022	—
Carrying amount	
At 31 December 2021	150,001
At 31 December 2022	150,002

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Resolution (Brands) Limited	Ordinary	100
Resolution Operations LLP	Membership interest	100
Resolution Life Services Canada Inc.	Ordinary	100
Resolution Life IP Limited	Ordinary	100

The registered office of Resolution (Brands) Limited, Resolution Operations LLP and Resolution Life IP Limited is The Caxton Brewers Green, 3rd Floor, London, SW1H 0RH, UK.

The registered office of Resolution Life Services Canada Inc. is 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC, V6C 3L6, Canada

16. Debtors

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts owed by group undertakings	12,025,634	22,104,538	17,169,983	26,634,920
Deferred tax asset (see note 19)	1,517,974	521,689	1,131,682	326,625
Prepayments and accrued income	2,769,885	2,071,370	2,769,886	2,071,370

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

16. Debtors *(continued)*

Other debtors	3,036,060	2,073,244	2,011,926	2,007,758
	<u>19,349,553</u>	<u>26,770,841</u>	<u>23,083,477</u>	<u>31,040,673</u>

Amounts due from group undertakings are interest free and repayable on demand. No assets have been pledged as collateral. Other debtors relate to building deposits and VAT amount due from HMRC.

17. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	1,306,474	1,689,394	1,306,474	1,684,297
Amounts owed to group undertakings	12,069,850	7,894,166	13,469,169	11,318,064
Accruals	20,895,198	15,243,536	19,059,649	14,165,328
Corporation tax	944,866	384,000	733,309	190,479
Social security and other taxes	552,876	614,290	552,876	614,290
Pension liability	94,906	72,408	94,906	72,408
Other creditors	—	12,853	—	—
	<u>35,864,170</u>	<u>25,910,647</u>	<u>35,216,383</u>	<u>28,044,866</u>

Amounts owed to group undertakings are interest free and repayable on demand.

18. Creditors: amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Rent Incentive	86,630	100,678	86,630	100,678
Deferred tax provision	—	—	—	—
	<u>86,630</u>	<u>100,678</u>	<u>86,630</u>	<u>100,678</u>

The rent incentive amount recognised as a long term liability relates to the amortisation of the three month rent free period over the 10 year term of the lease. The Company benefited from this rent free period when it entered into a lease agreement for its office premises, as disclosed in note 22 to the financial statements.

19. Deferred tax

The deferred tax included in The Company statement of financial position is as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Included in debtors (note 16)	1,517,974	521,689	1,131,682	326,625
	<u>1,517,974</u>	<u>521,689</u>	<u>1,131,682</u>	<u>326,625</u>

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

19. Deferred tax *(continued)*

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Accelerated capital allowances	(72,864)	(71,014)	(72,864)	(71,014)
Provisions	1,590,838	592,703	1,204,546	397,639
	<u>1,517,974</u>	<u>521,689</u>	<u>1,131,682</u>	<u>326,625</u>

The deferred tax asset is recognised on the basis that companies forecasts indicate future profits against which the deferred tax assets can be recovered.

Unrecognised deferred tax

At 31 December 2022 The Group has unused corporation tax losses of £253,310 (2021: £326,148), which if utilised at the substantively enacted rate of UK corporation tax from 1 April 2023 of 25% would result in a tax saving of £63,328 (2021: £81,537). No deferred tax asset has been recognised in respect of these tax losses due to the uncertain timing at which sufficient taxable profits will be generated to utilise the profits.

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £667,003 (2021: £500,357).

21. Called up share capital

Issued, called up and fully paid for Group and Company

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

22. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	547,877	547,877	547,877	547,877
Later than 1 year and not later than 5 years	2,191,507	2,191,507	2,191,507	2,191,507
Later than 5 years	91,313	655,579	91,313	655,579
	<u>2,830,697</u>	<u>3,394,963</u>	<u>2,830,697</u>	<u>3,394,963</u>

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

23. Contingencies

Subsidiary guarantee

As a parent company established under the law of the UK for the 12 month period ended 31 December 2022, The Company took advantage of the exemption from audit under section 479A of the Companies Act 2006 for its subsidiaries Resolution (Brands) Ltd and Resolution Life IP Limited.

The Company guarantees Resolution (Brands) Ltd and Resolution Life IP Limited under section 479C of the Companies Act 2006 in respect of the year ended 31 December 2022. The aggregate carrying value of liabilities guaranteed by The Company under the use of this exemption total £89,289 and £4,714,993 respectively (2021: £45,131 and £2,179,788 respectively).

24. Related party transactions

Group

During the year The Group entered into the following transactions with related parties. These entities are considered related parties due to an investor of the Resolution Life Group exercising significant influence over the below entities :

	Transaction value		Balance owed by/(owed to)	
	2022	2021	2022	2021
	£	£	£	£
Resolution Capital Limited - Staff recharges payable	—	(155,976)	—	—
Resolution Capital Limited - Staff recharges receivable	68,338	18,508	68,338	58,397
RL LP - Staff recharges and sundry payments	13,883	44,754	—	44,754
Resolution Life Group Holdings LP provision of FCA regulated services	579,326	357,200	569,326	224,347
RLGH CC LP - Staff and director recharges and sundry payments	3,926	3,646	3,926	3,646
RLGH Management LP - Staff and director recharges and sundry payments	12,637	11,366	12,637	11,366

The Group has taken advantage of the exemption offered by FRS 102 from disclosing transactions and balances with other wholly owned members of the wider Resolution Life Group.

In addition to The Company disclosures made below, The Group has provided Trademark Licensing to the same related parties.

25. Controlling party

The ultimate controlling party is Resolution Life Group Holdings LP, a limited partnership incorporated in Bermuda. In the opinion of the directors Resolution Life Group Holdings LP is not under the control of any single entity or individual.

Resolution Life Group Services Ltd.

Notes to the Annual Report and Consolidated Financial Statements *(continued)*

Year ended 31 December 2022

26. Controlling party *(continued)*

Resolution Life Group Holdings LP is the parent of the largest group for which group accounts are drawn up. The registered office of Resolution Life Group Holdings LP is Wessex House, 2nd Floor 45 Reid Street, Hamilton HM12, Bermuda.

As noted in the *Future Developments* section of the Strategic Report, the Blackstone transaction will change the ultimate controlling party. The new ultimate controlling party of the entity will be Blackstone ISG Investment Partners - R(BMU) LP, subject to the completion of the transaction in the last quarter of 2023.

26. Events after the end of the reporting period

The Company has evaluated subsequent events for recognition or disclosure to 26 September, the date the financial statements were available for issuance.

On 19 May 2023, an Australian company launched trademark infringement proceedings against Resolution (Brands) Limited and Resolution Life Australasia Ltd (a fellow subsidiary of the ultimate controlling party). Management have engaged with external legal counsel to assist with the proceedings and filed a robust defence and cross-claim on 23 August 2023. Due to the early stages of these proceedings, no estimate can be given to any possible resulting financial effect.

There were no additional material events that occurred subsequent to 31 December 2022.