

REGISTERED NUMBER: 01902998 (England and Wales)

**Annual Report and
Financial Statements for the Year Ended 31 December 2023
for
Sesame General Insurance Services
Limited**

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

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for the Year Ended 31 December 2023**

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**Sesame General Insurance Services
Limited**

**Company Information
for the Year Ended 31 December 2023**

DIRECTORS: S L Batham
S J Harris
P Wilson

SECRETARY: J Vince

REGISTERED OFFICE: Aviva
Wellington Row
York
YO90 1WR

REGISTERED NUMBER: 01902998 (England and Wales)

INDEPENDENT AUDITORS: PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Strategic Report
for the Year Ended 31 December 2023**

The directors present their strategic report of Sesame General Insurance Services Limited (the "Company") for the year ending 31 December 2023.

REVIEW OF BUSINESS

Principal activities

The principal activity of the Company in the year under review was that of an intermediary selling general insurance products to financial intermediary firms in the United Kingdom. Most of these advisers and brokers are appointed representatives of Sesame Limited ("SL"), a fellow subsidiary of the Sesame Bankhall Group of companies ("SBG").

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

Significant events

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

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

Financial position and performance

The financial position of the Company as at 31 December 2023 is shown in the Balance Sheet on page 17, with the trading results shown in the Income Statement on page 15.

The Company's net assets have decreased by £661k (2022: £110k increase) due to the dividend distribution for the financial year.

Revenue for the year increased to £513k (2022: £177k) due to a one-off receipt in relation to prior year claims history.

During the year 84% of policies offered up for renewal were renewed on annual review (2022: 86%). The total number of live policies at 31 December 2023 was 3,370 (2022: 3,990). This performance was consistent with management expectations.

REVIEW OF BUSINESS - continued

Section 172(1) Statement and our Stakeholders

The directors report here on how they have discharged their duties under Section 172 of the Companies Act 2006.

Section 172 sets out a series of matters to which the directors must have regard to in performing their duty to promote the success of the Company for the benefit of its shareholders, which includes having regard to other stakeholders. Where this statement draws upon information contained in other sections of the Strategic report, this is signposted accordingly.

The Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for monitoring and upholding the culture, values, standards, ethics and reputation of the Company to ensure that our obligations to our shareholder, customers and other stakeholders are met and Management drives the embedding of the desired culture throughout the organisation. The Board monitors adherence to our policies and compliance with local corporate governance requirements and is committed to acting where our businesses fall short of the standards we expect.

The Board is also focused on the wider social context within which our businesses operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

Our culture

The Company and SBG's culture are shaped, in conjunction with the parent company, Aviva Life Holdings UK Limited, and its ultimate shareholder Aviva plc, using jointly held and clearly defined values to help ensure they do the right thing.

SBG has a vision to be the market leader of professional services, helping financial advisers run successful businesses, enabling good consumer outcomes. Our people are key to delivering our strategy for our colleagues, advisers, end customers and shareholder. SBG's culture is shaped around three core values: community, expertise and passion.

SBG aims to create an environment where people can bring their whole self to work and have a sense of belonging. Talent is nurtured and individuals are able to progress their careers at SBG.

The Company and SBG seek to earn stakeholders' trust by acting with integrity and responsibility at all-times. The Company looks to build relationships with all our stakeholders based on openness and continuing dialogue.

Aviva has committed to be a Net Zero company by 2040 and has set the targets of being net-zero in operations, and to have cut the carbon intensity of its investment by 60%, by 2030. SBG is committed to assisting Aviva achieve these ambitious targets and in improving the sustainability of the Company's operations.

REVIEW OF BUSINESS - continued

Key strategic decisions, announcements, and achievements in 2023

For each matter that comes before the Board, the Board considers the likely consequences of any decision in the long term, identifies stakeholders who may be affected, and carefully considers their interests and any potential impact as part of the decision-making process.

SBG continues to invest in the Sesame brand to ensure that advisers are able to respond to future changes and market opportunities with the ultimate aim of making a positive difference to the financial well-being of UK consumers. For additional detail on Sesame initiatives please refer to the financial statements of Sesame Limited.

Key strategic decisions made, initiatives implemented, and other announcements made during 2023 included the following:

- On 23 May 2023 SBG announced the appointment of P Wilson as its new Chief Operating Officer.
- On 6 September 2023 SBG announced the appointment of R Harrison as its new Chief Executive Officer.

During 2023 SBG and its staff won the following awards:

- SBG won Campaign of the Year at the Mortgage Industry Marketing Awards (Financial Reporter).
- SBG won Outstanding Contribution to Diversity at the Cover Women in Protection & Health Awards.

During 2023 SBG and its staff were also nominated as finalists for the following awards:

- Outstanding Culture of Inclusivity: Cover Women in Protection & Health Awards (SBG)
- L&G Business Quality Awards (SBG)
- Equity, Diversity & Inclusion Best Employee Support: Financial Reporter's Women's Recognition Awards (SBG)
- Best Support Group Compliance Service 2023: Protection Guru Awards (SBG)
- Best Training Initiative 2023: Protection Guru Awards (SBG)

REVIEW OF BUSINESS - continued

Stakeholder Engagement

The section below sets out our approach to stakeholder engagement during 2023.

(i) Customers and clients

The Sesame Bankhall Group Limited (“SBGL”) Board receives regular reporting on stakeholder outcomes and has utilised feedback, especially negative points, to develop actions to improve communication, service, support and guidance, technology, and access to providers, lenders and products as a result of this feedback.

The SBGL Board receives regular reporting on strategic initiatives throughout the year, undertaking deep dives into areas that impact advisers and their customers in order to re-align strategy where applicable. The SBGL Board is supported by the SBG Executive Team, led by the Chief Executive Officer, to enable it to closely monitor management information, and subsequently engage with the senior leaders to address any issues that may arise from complaints, feedback and our approach Treating Customers Fairly.

(ii) Employees

SBG values equality, diversity and inclusivity in its workforce and beyond, by creating an inclusive and supportive working environment. SBG looks to attract and retain a diverse workforce, who are able to reach their full potential.

SBG has an established Inclusion Council which encompasses a group of colleagues from across the business who have a desire to support SBG to achieve its inclusion ambitions. The aim of the Inclusion Council is to be a driver of change and to make a difference for our people, advisers and their customers, by placing diversity and inclusion at the core of who we are and what we do. SBG has been recognised with various awards for achievements in this area.

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

SBG operates a consistent and robust performance management process to ensure that all colleagues are recognised and rewarded fairly in the context of individual performance. Personal development is actively encouraged through a variety of learning initiatives. Studies to achieve regulatory and vocational qualifications are supported financially by SBG. Sessions are hosted to enhance colleagues' knowledge, skills, and behaviours. SBG offers a range of apprenticeships, which help combine study alongside practical in-job training. We invest in developing our Leaders and have a Management Development Programme in place for new Managers.

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

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

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

REVIEW OF BUSINESS - continued

Stakeholder Engagement - continued

(ii) Employees - continued

SBG's approach to reward and recognition is designed to attract, motivate, and retain talent regardless of circumstance or background. SBG is committed to equality of remuneration practices, which is demonstrated through an accreditation to the Living Wage. SBG rewards employees by offering a competitive benefits package, which includes a range of contractual and voluntary benefits. This is regularly enhanced and promotes the wellbeing of colleagues.

SBG also encourages colleagues to share in the success of the wider Group, allowing colleagues to participate in the Aviva Group's Save As You Earn Plan. There are also Executive share schemes in place for senior employees.

The SBG Executive Team and Board hold regular strategy development days throughout the year to ensure effective future planning. The Senior Leadership team are engaged to share the strategy and plan for delivery. 2024 continued to be a challenging year and the cost-of-living crisis remained a concern for SBG's people. SBG provided additional financial support during the year by providing lunch vouchers for its employees.

(iii) Suppliers

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

All SBG supplier related activity is managed in line with the Aviva Group Procurement & Outsourcing Business Standard. This ensures that supply risk is managed appropriately including in relation to customer outcomes, data security, corporate responsibility, financial, operational, contractual, and brand damage caused by inadequate oversight or supplier failure.

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

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

(iv) Communities

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

Aviva has committed to be a Net Zero company by 2040 and has set the targets of being net-zero in operations, and to have cut the carbon intensity of its investment by 60%, by 2030. SBG is committed to assisting Aviva achieve these ambitious targets and in improving the sustainability of the Company's operations. Since 2022, our internal SBG Green Project team and external third-party experts have been engaged to help drive forward these goals.

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

During 2023, SBG achieved an ambitious fund-raising target, which will support the build of a treatment room in the newly built St Ann's Hospice. We have established a new Charity Partner, Cold Hands Warm Hearts. The Manchester-based charity supports homeless people throughout the city. We continue to fund the studies of 13 under-privileged children's education in Delhi through a charity, Turn Your Concern Into Action.

REVIEW OF BUSINESS - continued

Stakeholder Engagement - continued

(iv) Communities - continued

The SBG Corporate Social Responsibility policy enables colleagues to pledge 'voluntary hours' to a chosen charity. SBG has further increased the number of volunteering hours, all colleagues can take up to two days per year to support a community investment or charity of their choice.

(v) Shareholders

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

(vi) Our regulators

The Company previously operated as an appointed representative ("AR") of the fellow SBG subsidiary undertaking, SL, but this AR relationship was terminated during 2021. SL is categorised as a 'flexible portfolio' firm under the Financial Conduct Authority's ("FCA's") supervision regime, which is the least intrusive form of supervision for FCA solo regulated firms. SL is also classified as an 'enhanced scope' firm for the purposes of the FCA's Senior Managers and Certification Regime ("SMCR") meaning that, due to its size, there are additional requirements placed upon it by this regime, including further obligations placed upon Senior Managers and the requirement to provide the FCA with an updated Management Responsibilities Map whenever there is a material change to the responsibilities of Senior Managers or a material change to the governance structure/governing function holders within SL.

SBG maintains a constructive and open 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's Compliance Team.

Future outlook

The strategic direction of the Company is set by the directors of the Company following engagement with the Board of the parent company. The directors expect that the Company's principal activities will continue unchanged in the coming year.

Through the Company and its other trading subsidiaries SBG will continue to support network and directly authorised advisers to ensure they are able to respond to future challenges and market opportunities as they arise whilst also responding to the changing requirements of UK consumers. An emerging trend in the market is the acquisition of advice firms by larger advice businesses and Private Equity. This is being closely monitored as it creates opportunities and threats for SBG as services and established propositional preferences of acquired firms could change.

SBG will continue to build on its market leading propositions, including Sesame, with the refinement of existing services and with the introduction of new and innovative products and propositions across its brands. This refinement and innovation will be achieved by leveraging the strength of SBG and will be designed to address emerging consumer needs, the changing demographic of consumers seeking financial advice, and the requirements of individual firms and advisers. SBG will also continue to develop and introduce technological innovations in the delivery of its services whilst ensuring the quality of services delivered and customer outcomes.

A high rate of policies renewing should protect the trading position of the Company in 2024. The directors expect the renewal rate to remain consistent with that experienced in the current and prior year and as a result of this expect the Company to continue to trade profitably during the coming year.

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Strategic Report
for the Year Ended 31 December 2023**

PRINCIPAL RISKS AND UNCERTAINTIES

A large proportion of the Company's income is from renewals relating to a closed insurance book and therefore the key strategic risk facing the Company is a major decrease in the number of policies renewing in future years.

The Company is exposed to the regulatory risk of complaints arising from historic advice provided on home related general insurance products.

The current economic uncertainty continues to pose trading risks to the Company (e.g., pressure on margins). Heightened volatility is expected to persist given market conditions and geopolitical instability.

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

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

KEY PERFORMANCE INDICATORS

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

	2023	2022
	£'000	£'000
Turnover	513	177
Operating profit	432	110
Profit before taxation	439	110
Profit for the financial year	439	110
Net assets	997	1,658

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

Further significant non-financial KPI include the following:

	2023	2022
Renewal rate on anniversary	84%	86%

ON BEHALF OF THE BOARD:



S J Harris - Director

26 June 2024

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Report of the Directors
for the Year Ended 31 December 2023**

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2023.

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

DIVIDENDS

Interim ordinary dividends of £1.1m were declared and settled during the year ended 31 December 2023 (2022: £nil). The directors do not recommend a final dividend for the year ended 31 December 2023 (2022: £nil).

The total distribution for the year will be £1.1m (2022: £nil).

FUTURE OUTLOOK

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

STAKEHOLDER ENGAGEMENT

Our statements summarising our employee engagement, and our engagement with suppliers, customers and our other stakeholders are included in the Strategic Report on pages 5-7.

DIRECTORS

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

The following directors have held office in the whole period from 1 January 2023 to the date of this report:

S J Harris

Changes in directors holding office in the period from 1 January 2023 to the date of this report are as follows:

R J Howells - resigned 12 May 2023

S L Batham - appointed 13 June 2023

P Wilson - appointed 16 October 2023

COMPANY SECRETARY

J Vince is the appointed Company Secretary.

DIRECTORS AND OFFICERS - INDEMNITY AND INSURANCE

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985, which continue to apply in relation to any provision made before 1 October 2007. This indemnity is a "qualifying third party indemnity" for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third-party indemnity provisions remain in force as at the date of approving the Report of the Directors by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement No. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

The directors have the benefit of the indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in section 234 of the Companies Act 2006.

POST BALANCE SHEET EVENTS

There have been no important events affecting the Company since year end.

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Report of the Directors
for the Year Ended 31 December 2023**

EMPLOYEES

The Company has no employees. The majority of employees engaged in the activities of the Company are employed by the fellow SBG subsidiary undertaking Sesame Services Limited (SSL). Disclosures relating to employees may be found in the annual report and financial statements of that company. The Company is recharged with the costs of the staff provided by SSL.

GOING CONCERN

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

The Company has a net asset position, a cash surplus, and it is forecast to be profitable in future periods with positive cash flows. The directors believe that the Company is well placed to manage its business risks successfully.

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

APPROACH TO FINANCIAL RISK MANAGEMENT

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

Liquidity risk

Liquidity risk is the risk that a firm, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can only secure such resources at excessive cost. The Company is profitable, has a healthy cash surplus and positive net current assets. As such, the directors consider the Company to have minimal exposure to liquidity risk.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, Report of the Directors, and the financial statements in accordance with applicable law and regulation.

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

Under company law, 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 responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Report of the Directors
for the Year Ended 31 December 2023**

DISCLOSURE OF INFORMATION TO THE AUDITORS

In accordance with section 418 of the Companies Act 2006, the directors in office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's External Auditor, PricewaterhouseCoopers LLP (PwC), is unaware and each director has taken all steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that PwC is aware of that information.

INDEPENDENT AUDITORS

Under the Competition and Markets Authority Regulations, the Company's ultimate parent Company, Aviva plc is required to tender for the provision of the external audit every 10 years. PwC was appointed for the first time for the 31 December 2012 financial year end and therefore a mandatory re-tender was required for the year ending 31 December 2022. Following a full and rigorous competitive tender process, which was overseen by the Aviva plc Audit Committee, the selection of Ernst & Young LLP (EY) was approved by the Aviva plc Board. PwC LLP will undertake the audit for the financial year ending 31 December 2023, and subject to their appointment by the Company's shareholders at the 2024 Annual General Meeting, EY will undertake the audit for the financial year ending 31 December 2024.

ON BEHALF OF THE BOARD:



S J Harris - Director

26 June 2024

**Independent Auditors' Report to the Members of
Sesame General Insurance Services
Limited (Registered number: 01902998)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Sesame General Insurance Services Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and the Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2023; the Income Statement, Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - continued

Reporting on other information - continued

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 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Testing of journal entries based on specific risk criteria back to corroborating evidence; and
- Testing and challenge of modelling assumptions used back to corroborating evidence for indications of management bias; 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.

**Independent Auditors' Report to the Members of
Sesame General Insurance Services
Limited (Registered number: 01902998)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - continued

Responsibilities for the financial statements and the audit - continued

Auditors' responsibilities for the audit of the financial statements - continued

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.



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

26 June 2024

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Income Statement
for the Year Ended 31 December 2023**

	Note	2023 £'000	2022 £'000
TURNOVER		513	177
Administrative expenses		<u>(81)</u>	<u>(67)</u>
OPERATING PROFIT		432	110
Interest receivable and similar income	4	<u>7</u>	<u>-</u>
PROFIT BEFORE TAXATION	5	439	110
Tax on profit	6	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>439</u></u>	<u><u>110</u></u>

The notes on pages 19 to 26 form part of these financial statements

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Statement of Comprehensive Income
for the Year Ended 31 December 2023**

	2023 £'000	2022 £'000
PROFIT FOR THE FINANCIAL YEAR	439	110
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR	<u>439</u>	<u>110</u>

The notes on pages 19 to 26 form part of these financial statements

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Balance Sheet
as at 31 December 2023**

	Note	2023 £'000	2022 £'000
CURRENT ASSETS			
Debtors	8	15	105
Cash at bank and in hand		<u>1,006</u>	<u>1,558</u>
		1,021	1,663
CREDITORS			
Amounts falling due within one year	9	<u>(24)</u>	<u>(5)</u>
NET CURRENT ASSETS		<u>997</u>	<u>1,658</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>997</u>	<u>1,658</u>
CAPITAL AND RESERVES			
Called up share capital	10	-	-
Retained earnings	11	<u>997</u>	<u>1,658</u>
TOTAL SHAREHOLDERS' FUNDS		<u>997</u>	<u>1,658</u>

The financial statements on pages 15 to 26 were approved by the Board of Directors and authorised for issue on 26 June 2024 and were signed on its behalf by:



S J Harris - Director

The notes on pages 19 to 26 form part of these financial statements

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Statement of Changes in Equity
for the Year Ended 31 December 2023**

	Called up share capital £'000	Retained earnings £'000	Total Shareholders' funds £'000
Balance at 1 January 2022	-	1,548	1,548
Changes in equity			
Profit and total comprehensive income for the financial year	-	110	110
Balance at 31 December 2022	-	1,658	1,658
Changes in equity			
Dividends	-	(1,100)	(1,100)
Profit and total comprehensive income for the financial year	-	439	439
Balance at 31 December 2023	-	997	997

The notes on pages 19 to 26 form part of these financial statements

1. **ACCOUNTING POLICIES**

Reporting entity

Sesame General Insurance Services Limited is a private company limited by shares. The Company is incorporated in the United Kingdom, registered in England, and domiciled in the United Kingdom. The Company's registered office is Aviva, Wellington Row, York, YO90 1WR.

Basis of preparation

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

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

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of 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;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1;
- 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 88C and 88D of IAS 12 Income Taxes;
- the requirements of paragraph 74(b) of IAS 16;
- 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 accounting policies set out below have been applied consistently to all years presented in these financial statements.

New standards, interpretations and amendments to published standards that have been adopted by the Company

No new standards relevant to the Company became effective for the annual reporting year beginning on 1 January 2023.

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

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

1. **ACCOUNTING POLICIES - continued**

Going Concern

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

The Company has a net asset position, a cash surplus, and it is forecast to be profitable in future periods with positive cash flows. The directors believe that the Company is well placed to manage its business risks successfully.

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

Turnover

Turnover represents commission income earned from the sale of GI products to financial intermediary firms in the United Kingdom as part of the Company's principal activity. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, amounts refunded, VAT and other sales related taxes. Variable consideration, such as performance fees and commission subject to clawback arrangements, is only recorded as revenue to the extent it is highly probable that it will not be subject to significant reversal.

Expense recognition

All expenses are recognised in the Income Statement as incurred.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

Income taxes

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

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

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

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

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

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

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively, except for the tax consequences of distributions from certain equity instruments, to be recognised in the income statement.

Deferred tax related to any fair value re-measurement of investments, held at fair value through other comprehensive income, owner-occupied properties, pensions and other post-retirement obligations and other amounts charged or credited directly to other comprehensive income is recognised in the 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.

Cash at bank and in hand

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

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.

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

3. EMPLOYEES AND DIRECTORS

The Company had no employees in the current or prior year. All staff engaged in the trading activities of the Company are employed by Sesame Services Limited, the SBG service company. The costs associated with these staff members are recharged to the Company based on the proportion of time they spend working directly on the activities of the Company.

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

	2023	2022
	£'000	£'000
Wages and salaries	42	36
Social security costs	5	5
Other pension costs	<u>2</u>	<u>2</u>
	<u>49</u>	<u>43</u>

The directors holding office during the year were employed and remunerated by Sesame Services Limited with their emoluments then apportioned between certain SBG companies. This recharge of directors' emoluments was based on an estimate of the share of directors' services provided to each company.

Directors' emoluments recharged to the Company during the year were:

	2023	2022
	£'000	£'000
Directors' emoluments	65	6
Pension costs	<u>5</u>	<u>-</u>
Total remuneration	<u>70</u>	<u>6</u>

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

	2023	2022
Money purchase pension scheme	<u>4</u>	<u>2</u>

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

	2023	2022
	£'000	£'000
Directors' emoluments	62	3
Pension costs	<u>5</u>	<u>-</u>
Total remuneration	<u>67</u>	<u>3</u>

No SBG share options were offered or exercised during the year (2022: none).

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£'000	£'000
Interest receivable	<u>7</u>	<u>-</u>

5. PROFIT BEFORE TAXATION

Auditors' remuneration for audit services of £26,600 excluding VAT (2022: £27,010) has been borne by a fellow SBG subsidiary, Sesame Services Limited, and recharged to the Company as was the case in the prior year. There were no non-audit fees in 2023 (2022: £nil).

6. TAX ON PROFIT

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Factors affecting the tax expense

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£'000	£'000
Total profit/(loss) before tax	<u>439</u>	<u>110</u>
Tax calculated at the standard UK corporation tax rate of 23.5% (2022 - 19%)	103	21
Effects of:		
Surrender of tax losses from Group undertakings for no charge	<u>(103)</u>	<u>(21)</u>
Total tax charged/(credited) to the income statement	<u>-</u>	<u>-</u>

The UK Government has enacted an increase in the UK corporation tax rate to 25% to take effect from 1 April 2023. As the Company has no deferred tax assets or liabilities, there is no impact on the Company's net assets as a consequence of the amendments to the tax rates.

During 2023, legislation on The Organisation for Economic Co-operation and Development proposals to reform the international tax system and introduce a global minimum effective rate of corporation tax of 15% was enacted in the UK, to take effect from 31 December 2023. The Company (as part of the Aviva Group) has assessed its potential exposure, based on the available information, and does not anticipate any exposure to additional tax under these provisions.

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

6. TAX ON PROFIT - continued

Tax assets and liabilities

(a) Current tax

Current tax liabilities recoverable in more than one year are £nil (2022: £nil).

(b) Deferred tax

The Company has no recognised temporary differences and unrecognised temporary differences of £nil (2022: £nil) carried forward.

7. DIVIDENDS

	2023 £'000	2022 £'000
Ordinary shares of £1 each		
Interim	<u>1,100</u>	<u>-</u>

8. DEBTORS

	2023 £'000	2022 £'000
Amounts owed by group undertakings	-	93
Other receivables	<u>15</u>	<u>12</u>
	<u>15</u>	<u>105</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Amounts owed to group undertakings	17	-
Other payables	<u>7</u>	<u>5</u>
	<u>24</u>	<u>5</u>

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

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

The amounts owed to group undertakings are unsecured, interest free, have no fixed repayment date and are repayable on demand. Further information relating to amounts owed to group undertakings is detailed in the Related Party Disclosures in Note 13.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
100 (2022: 100)	Ordinary	£1	<u>100</u>	<u>100</u>

11. RETAINED EARNINGS

	Retained earnings £'000
At 1 January 2022	1,548
Profit for the financial year	<u>110</u>
At 31 December 2022	<u>1,658</u>
At 1 January 2023	1,658
Profit for the financial year	439
Dividends	<u>(1,100)</u>
At 31 December 2023	<u>997</u>

12. ULTIMATE PARENT UNDERTAKING

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

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

The smallest Group in which the results of the Company were consolidated for the year was that headed by Aviva plc. Copies of Aviva plc financial statements are available on application to the Group Company Secretary, Aviva plc, St Helens, 1 Undershaft, London, EC3P 3DQ, and on the Aviva plc website at www.aviva.com.

**Sesame General Insurance Services
Limited (Registered number: 01902998)**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

13. **RELATED PARTY DISCLOSURES**

	2023 £'000	2022 £'000
Included within amounts owed by group undertakings are:		
Sesame Services Limited	<u>17</u>	<u>93</u>
	<u>17</u>	<u>93</u>

During the year there have been management charges, intercompany recharges, and intercompany settlements between SBG companies. The purpose of the management and intercompany recharges is to recognise expenses in the correct statutory company. These transactions were mainly between Sesame Bankhall Group Limited, Sesame Services Limited, Sesame Limited, Bankhall Support Services Limited, Premier Mortgage Service Limited, and the Company.