

# **Aviva Administration Limited**

**Registered in England and Wales No. 3424940**

## **Annual Report and Financial Statements 2023**

Aviva Administration Limited

Annual Report and Financial Statements 2023

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Aviva Administration Limited

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## Directors and officer

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### Directors

S J Layden

C E Lund-Conlon

M Robinson

### Officer – Company Secretary

Aviva Company Secretarial Services Limited

80 Fenchurch Street

London

EC3M 4AE

### Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London

SE1 2RT

### Registered office

Aviva

Wellington Row

York

YO90 1WR

### Company number

Registered in England and Wales no. 3424940

### Other information

Aviva Administration Limited ("the Company") is authorised and regulated by the Financial Conduct Authority ("FCA")

The Company is a private company and a member of the Aviva plc group of companies ("the Group")

Aviva Administration Limited

Annual Report and Financial Statements 2023

## Strategic report

The directors present their strategic report for the Company for the year ended 31 December 2023.

### Review of the Company's business

#### Principal activities

Aviva Administration Limited ("AAL" or "the Company"), is a wholly owned subsidiary of Aviva plc and is managed as part of its Insurance, Wealth & Retirement ("IWR") business.

The principal activities of the Company are the supply of services to fellow IWR undertakings. This includes the processing of payments on behalf of Aviva Life & Pensions UK Limited ("UKLAP") for annuities and commissions; and to operate a SIPP and act as a trustee and administrator for a number of pension schemes also provided by UKLAP.

AAL also undertakes supplementary services for the Wealth business unit within IWR including but not limited to financial promotions; Pensions Consolidation Services (PCS); and lead generation.

AAL previously carried out financial advisory services under the brand of Aviva Financial Advice ("AFA") but as of 1 October 2023 the AFA business was transferred to sister company Succession Wealth as part of the integration plan following the acquisition of the Succession Wealth group in August 2022.

#### Financial position and performance

The Company has generated a post-tax loss of £ 14.2 million in 2023 (2022: £9.2 million loss).

Total equity and loss for the year are detailed in the key performance indicators section set out below.

The revenue of the Company is driven by fee income derived from advice provided by the Company's in-house advisers for the first nine months of the year in 2023. Operating expenses relate to expenses incurred in carrying out this business.

#### Key performance indicators (KPIs)

	2023	2022
	£000	£000
Revenue	2,114	2,270
Operating expenses	(18,083)	(14,310)
Loss for the year	(14,204)	(9,217)
Total equity	8,267	22,471

Revenue is 6.9% lower than 2022 as a result of the in-house adviser business transferring to Succession Wealth (SW) on 1 October 2023. Operating expenses were £18.1 million in 2023 compared to £14.3 million in 2022, including costs associated with the transfer of the AFA business.

Total equity decreased by £14.2 million to £ 8.3 million (2022: decreased by £9.2 million to £22.5 million), reflecting the loss for the year.

### Section 172(1) statement and our stakeholders

We report here on how our Directors have performed their duties under Section 172(1) ('s172') of the Companies Act 2006.

S.172 sets out a series of matters which the directors must have regard to when performing their duty to promote the success of the Company for the benefit of its shareholders, including having regard to other stakeholders.

Our Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for establishing, monitoring and upholding the culture, values, standards, ethics and reputation of the Company to ensure that our obligations to our stakeholders are met. The Board monitors adherence to our policies and compliance with local corporate governance requirements and is committed to acting where our business falls short of the standards we expect.

Our Board is also focussed 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

Our culture is shaped, in conjunction with the wider Aviva Group, by our clearly defined purpose – with you today for a better tomorrow. As the provider of financial services to millions of customers, Aviva seeks to earn their trust by acting with integrity and a sense of responsibility at all times. We look to build relationships with all our stakeholders based on openness and transparency and we value diversity and inclusivity in our workforce and beyond.

#### Key strategic decisions 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.

The Company completed the transfer of the AFA business to Succession Wealth on 1 October 2023.

#### Our Stakeholders

This section provides insight into how the Board engages with our stakeholders. The Board recognises that stakeholders have diverse interests and that these interests need to be heard. Engaging with our stakeholders is essential to understand what matters most to them and the likely impact of any key decisions.

The Company Board is legally accountable for the business of the Company but it recognises that the Company is part of the Insurance, Wealth & Retirement (IWR) business within the Aviva Group. As such policies and best practice are set by Aviva plc, some of which are described in the tables below. Aviva plc sets the overall strategic direction of the Group.

Details of how we engaged with our different groups of stakeholders during 2023 can be found on the following pages.

Aviva Administration Limited

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**Strategic report (continued)****Our people**

Our people's wellbeing and commitment to serving our customers are the foundations for our performance.

**How we have engaged**

- The Company has no employees. The majority of staff engaged in the activities of the Company are employed by fellow subsidiary undertakings of Aviva plc. As part of the Aviva Group, these staff enjoy the benefit of the Aviva Group policies and benefits made available to them.
- The Board always aims to provide an inclusive working environment where talent is developed, performance is rewarded, support is provided and our differences are valued.
- Our people have the opportunity to share in the business's success as shareholders through membership of our global share plans. All Employees are eligible for our global share plans.
- Our employee-shareholders were given the opportunity to meet the Aviva plc Board and submit questions at the AGM.

**Focus during the year**

- Aviva Group focused on attracting and retaining the best people in the industry.
- Aviva Group monitored and responded to the impact that inflationary pressures exerted on our people.
- Aviva Group was given corporate culture updates with a focus on embedding diversity and inclusion.

**Outcomes and actions during the year**

- Launch of our Aviva Group 2023 early career programme, with over 200 graduates and apprentices attending.
- Launch of Workvivo, the Aviva Group internal colleague communication and engagement platform, with over 19,500 colleagues active on Workvivo with over 10,000 daily users.

**Customers**

Understanding what's important to our customers is key to our long-term success.

**How we have engaged**

- The Board received regular reporting on customer experience, customer journeys, customer services levels and outcomes and customer related strategic initiatives.
- The Board supported the delivery of our customer strategy and reviewed its progress as part of the strategic delivery updates during the year.
- The Group Board attended showcases in IWR during the Board strategy offsite meeting focusing on the Wealth and Health apps.
- The Board closely monitors customer metrics and engages with the leadership team to understand the issues if performance does not meet customers' expectations. The Company is supported by the Aviva Life Holdings UK Limited ('UKLH') Conduct Committee to enable it to monitor customer metrics, the Board can escalate any matter it feels necessary to the UKLH Conduct Committee for further scrutiny.

**Focus during the year**

- The Board monitored and responded to the impact that inflationary pressures exerted on our customers.
- The Board focussed on our digital customer journeys, making it easier and more convenient for customers to interact with us.

**Outcomes and actions during the year.**

- The Board monitored and received regular updates on the progress of Phase 1 of the implementation of Consumer Duty.

**Shareholders**

Our retail and institutional shareholders are the owners of the Company.

**How we have engaged**

- The Company's ultimate shareholder is Aviva plc and there is ongoing communication and engagement with the Aviva plc Board. Any matters requiring escalation are escalated by the Board through the Chair to its parent. Additionally, members of the Aviva plc Board can attend the Company's Board meeting by invitation.
- At Aviva Group level, a shareholder newsletter was published on aviva.com every quarter and provided shareholders with publicly available information including recent Board changes, financial or strategic updates, and information about our Aviva Foundation projects.
- The Chair of the Aviva plc Board engaged and attended meetings with major shareholders of the Group

**Focus during the year**

- Ensuring Shareholders understand our strategy and business model.
- Engaging with different groups of retail shareholders.

**Outcomes and actions during the year**

- The 2023 Aviva plc AGM took place in Norwich. This was the first time the location was outside of London and gave the Group Board an opportunity to meet local retail shareholders.
- In March 2023, Aviva became one of the first UK employers to be awarded the Living Pension accreditation.
- The 2024 AGM will be held in York giving the Group Board another opportunity to meet local retail shareholders.

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**Strategic report (continued)**

<b>Communities</b> We recognise the importance of contributing to our communities through volunteering, community investment, and long term partnerships.	
<b>How we have engaged</b> <ul style="list-style-type: none"> <li>• Aviva supported the communities in which we operate, through investment in business and infrastructure, paying tax revenues and community support activity.</li> <li>• At Aviva Group level, the Customer and Sustainability Committee received regular updates on the progress of Aviva's Sustainability Ambition throughout 2023 with the Committee Chair providing an update on matters discussed at each Aviva plc Board meeting.</li> </ul>	<b>Outcomes and actions during the year</b> <ul style="list-style-type: none"> <li>• Employees across the Aviva Group were offered the opportunity to volunteer their time to support charities and organisations.</li> <li>• During the year, the Aviva Group provided £2.7m funding to Citizens Advice and £0.75m to the Money Advice Trust to help build their capacity to tackle the cost of living crisis. This is part of an overall commitment of £7m to Citizens Advice and £2m to Money Advice Trust (the majority of which was distributed in 2022).</li> <li>• The Aviva Foundation committed just under £2m funding to organisations delivering public benefit focused on financial resilience.</li> </ul>
<b>Regulators</b> As an insurance company, we are subject to financial services regulation and approvals in all the markets we operate in.	
<b>How we have engaged</b> <ul style="list-style-type: none"> <li>• We have maintained a constructive and open relationship with our regulators and the Board has regular meetings with our UK regulators.</li> </ul>	<b>Outcomes and actions during the year</b> <ul style="list-style-type: none"> <li>• Regulatory priorities were regularly discussed at Board meetings.</li> </ul>
<b>Suppliers</b> We operate in conjunction with a wide range of suppliers to deliver services to our customers. It is vital that we build strong working relationships with our intermediaries.	
<b>How we have engaged</b> <ul style="list-style-type: none"> <li>• The Company maintains oversight of the management of its most important suppliers and reviews reports on their performance.</li> <li>• The Board normally delegates engagement with suppliers and oversight to senior management.</li> <li>• All supplier related activity is managed in line with the group procurement and outsourcing business standards. This ensures that supplier risk is managed appropriately in relation to customer outcomes, data security, corporate responsibility, and financial, operational and contractual issues.</li> <li>• The Board was kept updated on the development of any key supplier risk.</li> </ul>	<b>Focus during the year</b> <ul style="list-style-type: none"> <li>• Understanding and highlighting risk across whole supply chain.</li> <li>• Simplification of products and platforms.</li> <li>• Engaging with key suppliers about our commitment to Aviva's Sustainability Ambition.</li> </ul> <b>Outcomes and actions during the year</b> <ul style="list-style-type: none"> <li>• To ensure continued efforts to strengthen controls, the Aviva Group procurement &amp; outsourcing (P&amp;O) Business Standard was refreshed for 2023.</li> <li>• Aviva held its first Net Zero Supplier Summit which included speakers from Microsoft, Paragon and Aviva Investors.</li> <li>• Aviva remains a signatory to the Prompt Payment Code.</li> </ul>

**Future outlook**

Strategies for the Group as a whole are determined by the Board of Aviva plc and these are shown in the Group 2023 Annual report and accounts. The Company will work with the Group to support the implementation of these strategies.

The strategic direction of the Company is set by the directors of the Company. The directors consider that the Company's principal activities will continue unchanged for the foreseeable future, with the exception of the AFA activity, which transferred to a fellow Group undertaking on 1 October 2023.

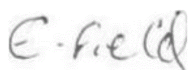
The Company is well positioned to compete in its key markets by leveraging the power of Aviva's breadth of offering within the UK to deliver compelling propositions to meet our customer needs, alongside driving digitisation through customer services, propositions and ensuring we are easy for customers to do business with, however they choose.

**Principal risks and uncertainties**

The Company is exposed to financial risk through its financial assets and liabilities in the ordinary course of its business. It is also exposed to operational risk resulting from inadequate or failed internal processes, people or systems, or from external events, including changes in the regulatory environment.

The Company uses a number of metrics to identify, measure, manage, monitor and report risks and a fuller explanation of these risks, other than operational risk, may be found in note 11 to the financial statements.

By order of the Board on 17 April 2024



E A Field  
 For and on behalf of Aviva Company Secretarial Services Limited  
 Company Secretary

Aviva Administration Limited

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## Directors' report

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The directors submit their annual report and the audited financial statements for the Company for the year ended 31 December 2023.

### Directors

The names of the present directors of the Company appear on page 3.

Details of Board appointments and resignations during the year and since the year end are shown below:

R J Priestley	Resigned 31 May 2023
P Wilson	Resigned 30 June 2023
C E Lund-Conlon	Appointed 31 August 2023
D A Brown	Resigned 13 March 2024
S J Layden	Appointed 14 March 2024

### Company Secretary

The name of the company secretary is shown on page 3.

### Dividends

No dividend was paid for the financial year ended 31 December 2023 (2022: *£nil*).

### Major events

Major events in 2023 are discussed in the key strategic decisions section of the Strategic Report on page 4.

### Statement of going concern

The Company together with its ultimate holding company, Aviva plc, have considerable financial resources together with a diversified business model, with a spread of businesses and geographical reach. The directors believe that the Company is well placed to manage its business risks successfully.

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. In addition, the financial statements include notes on: the Company's capital structure (note 10); management of its risks including market, credit and liquidity risk (note 11).

After making enquiries, 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.

### Future outlook

Likely future developments in the business of the Company are discussed in the Strategic Report on page 6.

### Financial risk management

Details of financial risk management are discussed in the principal risks and uncertainties section of the Strategic Report on page 6 and note 11 to the financial statements.

### Stakeholder engagement

Our statements summarising our employee engagement, and our engagement with suppliers, customers and our other stakeholders are included in our Strategic report on page 5.

### Employees

The Company has no employees (2022: *nil*). The majority of employees are employed by a fellow subsidiary undertaking of Aviva plc, Aviva Employment Services Limited (AES). Disclosures relating to employee remuneration and the average number of persons employed are made in the financial statements of AES. The Company is recharged with the costs of the staff provided by AES however the associated costs and average number of persons employed can not be accurately disclosed.

### 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 Auditors, PricewaterhouseCoopers LLP, are 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 PricewaterhouseCoopers LLP 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. PricewaterhouseCoopers LLP (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 Life Holdings UK Limited Audit Committee, the selection of Ernst & Young LLP was approved by the Aviva plc Board. PwC will continue in its role and, following reappointment by Aviva plc's shareholders at the 2023 Annual General Meetings, will undertake the audit for the financial years ending 31 December 2023.

Aviva Administration Limited

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## Directors' report (continued)

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### Qualifying indemnity provisions

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 s309A to s309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the directors' report 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 also have the benefit of the indemnity provision contained in the Company's articles of association, subject to the conditions set out in the Companies Act 2006. This is a "qualifying third party indemnity" provision as defined by s234 of the Companies Act 2006.

These qualifying third-party indemnity provisions were extended to the directors of the Company following acquisition.

### Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.


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 UK-adopted international accounting standards 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.

By order of the Board on 17th April 2024



**E A Field**

Aviva Company Secretarial Services Limited  
Company Secretary



Aviva Administration Limited

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## Independent auditors' report to the members of Aviva Administration Limited

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### Report on the audit of the financial statements

#### Opinion

In our opinion, Aviva Administration 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 loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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 Financial Statements 2023 (the "Annual Report"), which comprise: statement of financial position as at 31 December 2023; the income statement, statement of changes in equity and statement of cash flows for the year then ended; the accounting policies; and the notes to the financial statements.

#### Basis for opinion

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

#### Independence

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

#### Conclusions relating to going concern

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

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

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

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

#### Reporting on other information

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

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

With respect to the Strategic report and Directors' report, 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 Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report 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 Directors' report.

#### 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 in respect of the financial statements, 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.

Aviva Administration Limited

Annual Report and Financial Statements 2023

## Independent auditors' report to the members of Aviva Administration Limited (continued)

### Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Financial Conduct Authority ("FCA") regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate reported results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- enquiry of management and those charged with governance around actual and potential litigations and claims;
- enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- review of minutes of meetings held by those charged with governance;
- reading key correspondence with the FCA, including those in relation to compliance with laws and regulations;
- review of financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- performing procedures over the risk of management override of controls, including through testing journal entries based on specific risk criteria and other adjustments for appropriateness, and testing accounting estimates (considering the risk of management bias).

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

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

### 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

17 April 2024

Aviva Administration Limited

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## Accounting policies

The Company, a private company limited by shares, incorporated and domiciled in the United Kingdom (UK), provides services to fellow IWR undertakings. This includes the processing of payments on behalf of Aviva Life & Pensions UK Limited (UKLAP) for annuities and commissions; and to operate a SIPP and act as a trustee and administrator for a number of pension schemes also provided by UKLAP. AAL also undertakes supplementary services including but not limited to the provision of regulated financial promotions for the Wealth business unit within IWR, including the Aviva savings proposition known as Aviva Save; and the supply of regulated Pensions Consolidation Services (PCS).

AAL previously carried out financial advisory services under the brand of Aviva Financial Advice (AFA) but as of 1 October 2023 the AFA business was transferred to sister company Succession Wealth as part of the integration plan following the acquisition of the Succession Wealth group in August 2022.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### (A) Basis of preparation

The financial statements of the Company have been prepared and approved by the directors in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the legal requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis as explained in the Directors' report on page 7.

The financial statements are stated in pounds sterling, which is the Company's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

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

The Company has adopted the following amendments to standards which became effective for the annual reporting period beginning on 1 January 2023. The amendments have been issued and endorsed by the UK and do not have a significant impact on the Company's financial statements.

- (i) *Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*
- (ii) *Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*
- (iii) *Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- (iv) *Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules*

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

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

- (i) *Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*  
Published by the International Accounting Standards Board (IASB) in January 2020. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.
- (ii) *Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants*  
Published by the IASB in October 2022. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.
- (iii) *Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*  
Published by the IASB in September 2022. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.
- (iv) *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures: Supplier Finance Arrangements*  
Published by the IASB in May 2023. The amendments are effective for annual reporting beginning on or after 1 January 2024 and have been endorsed by the UK.
- (v) *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*  
Published by the IASB in August 2023. The amendments are effective for annual reporting beginning on or after 1 January 2025 and have yet to be endorsed by the UK.
- (vi) *IFRS 18 Presentation and Disclosure of Financial Statements*  
Published by the IASB in April 2024. The amendments are effective for annual reporting beginning on or after 1 January 2027 and have yet to be endorsed by the UK.

### (B) Critical accounting policies and use of estimates

The preparation of the Company's financial statements, in accordance with IFRS, requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. There are no major areas of judgement on policy application for the Company.

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly. The list below sets out those items we consider particularly susceptible to changes in estimates and assumptions, and the relevant accounting policy.

Item	Critical accounting estimates	Accounting policy	Note
Deferred taxation	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.	H	7

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## Accounting policies (continued)

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### (C) Revenue

Revenue represents adviser fee income earned in the year, which is recognised on an accruals basis. Sales of services are recognised in the accounting period in which the services are rendered, by reference to the completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

### (D) Interest receivable

Interest receivable is accounted for on an accruals basis.

### (E) Operating expenses

Operating expenses are recognised on an accruals basis.

### (F) Receivables and payables and other financial liabilities

The classification and measurement of financial assets, including receivables, is driven by an assessment of the Company's business model for managing financial assets, and the extent to which the financial assets' contractual cash flows are solely payment of principal and interest. Based on the outcome of this assessment, receivables are initially recognised at the transaction price, with subsequent measurement being at amortised cost.

The Company calculates expected credit losses for all financial assets held at amortised cost. Expected credit losses are generally calculated on either a 12-month or lifetime basis depending on the extent to which credit risk has increased significantly since initial recognition. The Company makes use of a simplified approach for trade receivables such that expected credit losses are always calculated on a lifetime basis.

Payables and other financial liabilities are initially recognised at their fair value, with subsequent measurement being at amortised cost.

### (G) Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand.

### (H) Income taxes

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

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

The rates enacted or substantively enacted at the statement of financial position date are used to value the deferred tax assets and liabilities.

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

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

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

Current and deferred tax relating to items recognised in other comprehensive income and directly in equity are similarly recognised in other comprehensive income and directly in equity respectively, 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 statement of financial position as a deferred tax asset or liability.

### (I) Share capital

#### *Equity instruments*

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument will not be settled by delivery of a variable number of shares or is a derivative that can be settled other than for a fixed amount of cash, shares or other financial assets.

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**Income statement**

For the year ended 31 December 2023

	Note(s)	2023 £000	2022 £000
<b>Income</b>			
Revenue	C	<b>2,114</b>	2,270
Interest receivable	D	<b>135</b>	34
		<b>2,249</b>	2,304
<b>Expenses</b>			
Operating expenses	E	<b>(18,083)</b>	(14,310)
		<b>(18,083)</b>	(14,310)
<b>Profit/(loss) before tax</b>			
Tax credit	H & 3	<b>1,630</b>	2,789
<b>Profit/(loss) for the year</b>		<b>(14,204)</b>	(9,217)

All of the above amounts are in respect of continuing operations.

The Company has no other comprehensive income (2022: *£nil*).

The accounting policies (identified alphabetically) on pages 11 to 12 and the notes (identified numerically) on pages 17 to 22 are an integral part of these financial statements

Aviva Administration Limited

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**Statement of changes in equity**

For the year ended 31 December 2023

		2023		
		Ordinary share capital	Retained earnings	Total equity
		£000	£000	£000
Note(s)				
	<b>Balance at 1 January</b>	<b>6,013</b>	<b>16,458</b>	<b>22,471</b>
	Loss for the year	—	<b>(14,204)</b>	<b>(14,204)</b>
	<b>Balance at 31 December</b>	<b>6,013</b>	<b>2,254</b>	<b>8,267</b>
		2022		
		Ordinary share capital	Retained earnings	Total equity
		£000	£000	£000
Note(s)				
	<b>Balance at 1 January</b>	6,013	25,675	31,688
	Loss for the year	—	<b>(9,217)</b>	<b>(9,217)</b>
	<b>Balance at 31 December</b>	<b>6,013</b>	<b>16,458</b>	<b>22,471</b>

The accounting policies (identified alphabetically) on pages 11 to 12 and the notes (identified numerically) on pages 17 to 22 are an integral part of these financial statements

Aviva Administration Limited

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**Statement of financial position**

As at 31 December 2023

	Note(s)	2023 £000	2022 £000
<b>Assets</b>			
Deferred tax assets	H & 7	1,208	4,729
Tax asset	H & 7	5,151	2,110
Receivables	F & 4	86	77
Cash and cash equivalents	G & 9	13,779	21,486
<b>Total assets</b>		<b>20,224</b>	<b>28,402</b>
<b>Equity</b>			
Ordinary share capital	I & 5	6,013	6,013
Retained earnings	6	2,254	16,458
<b>Total equity</b>		<b>8,267</b>	<b>22,471</b>
<b>Liabilities</b>			
Payables and other financial liabilities	F & 8	11,957	5,931
<b>Total liabilities</b>		<b>11,957</b>	<b>5,931</b>
<b>Total equity and liabilities</b>		<b>20,224</b>	<b>28,402</b>

The financial statements were approved by the Board of Directors on 17 April 2024 and signed on its behalf by



M Robinson

Director

The accounting policies (identified alphabetically) on pages 11 to 12 and the notes (identified numerically) on pages 17 to 22 are an integral part of these financial statements.

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**Statement of cash flows**

For the year ended 31 December 2023

	Note(s)	2023 £000	2022 £000
<b>Cash flows from operating activities</b>			
Cash used in operating activities	9	<b>(7,707)</b>	(8,483)
<b>Total net cash used in operating activities</b>		<b>(7,707)</b>	(8,483)
<b>Total net decrease in cash and cash equivalents</b>			
Cash and cash equivalents at 1 January		<b>21,486</b>	29,969
<b>Cash and cash equivalents at 31 December</b>	9	<b>13,779</b>	21,486

The accounting policies (identified alphabetically) on pages 11 to 12 and the notes (identified numerically) on pages 17 to 22 are an integral part of these financial statement



Aviva Administration Limited

Annual Report and Financial Statements 2023

## Notes to the financial statements

### 1. Directors' remuneration

All directors were remunerated by Aviva Employment Services Limited, a fellow subsidiary of the ultimate parent company, Aviva plc. The emoluments are recharged, as part of a head office management charge under management service agreements, to all operating divisions of the Aviva Group. No direct recharge has been made to the Company in respect of these emoluments as they cannot be accurately calculated or disclosed. Accordingly, no emoluments are disclosed in respect of these directors.

### 2. Auditors' remuneration

The total remuneration payable by the Company, excluding VAT, to its auditors, PricewaterhouseCoopers LLP is as follows:

	2023	2022
	£000	£000
Fees payable to PricewaterhouseCoopers LLP for the statutory audit of the Company's financial statements	47	45

The Company is exempt under SI 2008/489 from the obligation to disclose fees in respect of 'other services' as the Company is a subsidiary of Aviva plc which prepares consolidated financial statements. Fees paid to the Company's auditors, PricewaterhouseCoopers LLP and its associates for services other than the statutory audit of the Company and other Group undertakings are disclosed in the consolidated financial statements of Aviva plc. Audit fees are payable by Aviva Central Services UK Limited, a fellow group company, and recharged as appropriate to the Company and fellow Group companies.

### 3. Tax credit

#### (a) Tax (charged)/credited to the income statement

(i) The total tax (charge)/credit comprises:

	2023	2022
	£000	£000
<b>Current tax</b>		
For the period	5,151	—
Total current tax	5,151	—
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(3,521)	2,789
Total deferred tax	(3,521)	2,789
<b>Total tax (charged)/credited to the income statement</b>	<b>1,630</b>	<b>2,789</b>

(ii) Deferred tax (charged)/credited to the income statement represents movements on the following items:

	2023	2022
	£000	£000
Unused losses and tax credits	(3,286)	3,286
Accelerated capital allowances	(235)	(285)
Provisions and other temporary differences	—	(212)
<b>Total deferred tax (charged)/credited to the income statement</b>	<b>(3,521)</b>	<b>2,789</b>

#### (b) Tax reconciliation

The tax on the Company's (loss) before tax differs from the theoretical amount that would arise using the tax rate of the United Kingdom as follows:

	2023	2022
	£000	£000
<b>Profit/(Loss) before tax</b>	<b>(15,834)</b>	<b>(12,006)</b>
Tax calculated at standard UK corporation tax rate of 23.5% (2022: 19%)	3,721	2,281
Movement in valuation of deferred tax	(211)	(212)
Disallowable expenses	(1,880)	—
Change in future statutory tax rate	—	720
<b>Total tax (charge)/credit to the income statement</b>	<b>1,630</b>	<b>2,789</b>

Aviva Administration Limited

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## Notes to the financial statements (continued)

The UK Government has enacted an increase in the UK corporation tax rate to 25% to take effect from 1 April 2023. This rate has been used in the calculation of the Company's deferred tax assets as at 31 December 2022 and 31 December 2023.

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.

### 4. Receivables

	2023	2022
	£000	£000
Amounts owed by group undertakings	67	—
Other receivables	19	77
Total as at 31 December	<b>86</b>	<b>77</b>
Expected to be recovered in less than one year	86	77
Expected to be recovered in more than one year	—	—
	<b>86</b>	<b>77</b>

All receivables held at the year end are measured at amortised cost. Further details relating to lifetime expected credit losses can be found in note 11c. The carrying amount in the financial statements is deemed to be a reasonable approximation of the fair value.

### 5. Ordinary share capital

	2023	2022
	£000	£000
Allotted, called up and fully paid		
6,012,502 (2022: 6,012,502) ordinary shares of £1 each	<b>6,013</b>	6,013

Ordinary shares in issue in the Company rank pari passu. All the ordinary shares in issue carry the same right to receive all dividends and other distributions declared, made or paid by the Company.

### 6. Retained earnings

	2023	2022
	£000	£000
Balance at 1 January	<b>16,458</b>	25,675
Loss for the year	<b>(14,204)</b>	(9,217)
Balance at 31 December	<b>2,254</b>	16,458

### 7. Tax assets and liabilities

#### (a) Current tax

Current tax assets recoverable in more than one year are £2.1 million (2022: £nil).

#### (b) Deferred tax

(i) The balance at 31 December comprises:

	2023	2022
	£000	£000
Deferred tax assets	<b>1,208</b>	4,729
<b>Net deferred tax asset</b>	<b>1,208</b>	4,729

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**Notes to the financial statements (continued)**

(ii) The net deferred tax asset arises on the following items:

	2023	2022
	£000	£000
Unused losses and tax credits	—	3,286
Accelerated capital allowances	<b>1,208</b>	1,443
<b>Net deferred tax asset</b>	<b>1,208</b>	4,729

(iii) The movement in the net deferred tax asset was as follows:

	2023	2022
	£000	£000
Net deferred tax asset at 1 January	<b>4,729</b>	1,940
Amounts (charged)/credited to income statement	<b>(3,521)</b>	2,789
<b>Net deferred tax asset at 31 December</b>	<b>1,208</b>	4,729

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

**8. Payables and other financial liabilities**

	2023	2022
	£000	£000
Amounts due to group undertakings	<b>11,641</b>	5,919
Other payables including taxation and social security	<b>316</b>	12
<b>Total as at 31 December</b>	<b>11,957</b>	5,931
Expected to be settled within one year	<b>1,957</b>	5,931
Expected to be settled in more than one year	<b>10,000</b>	—
	<b>11,957</b>	5,931

**9. Statement of cash flows****(a) The reconciliation of loss before tax to the net cash out flow from operating activities is**

	2023	2022
	£000	£000
Profit/(Loss) before tax	<b>(15,834)</b>	(12,006)
Adjustments for:		
<b>Changes in working capital:</b>		
Decrease in tax assets	<b>2,110</b>	—
(Increase)/decrease in receivables	<b>(9)</b>	2,694
Increase in payables and other financial liabilities	<b>6,026</b>	829
<b>Total cash used in operating activities</b>	<b>(7,707)</b>	(8,483)

**(b) Cash and cash equivalents in the statement of cash flows at 31 December comprised:**

	2023	2022
	£000	£000
Cash in bank and in hand	<b>13,779</b>	21,486

Aviva Administration Limited

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## Notes to the financial statements (continued)

### 10. Capital structure

The Company maintains an efficient capital structure from equity shareholders' funds, consistent with the Company's overall risk profile and the regulatory and market requirements of the business. This note describes the way the Company manages capital and shows how this is structured.

#### a. General

IFRS underpins the Company's capital structure and accordingly the capital structure is analysed on this basis. The Company measures its capital requirements under the IPRU (Interim Prudential Sourcebook for Investment Businesses) and MIPRU (Prudential Sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries) rulebooks.

#### b. Capital management

In managing its capital, the Company seeks to:

- (i) match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- (ii) maintain financial strength to support new business growth and satisfy the requirements of its policyholders and regulators;
- (iii) retain financial flexibility by maintaining strong liquidity; and
- (iv) allocate capital efficiently to support growth and repatriate excess capital where appropriate.

#### c. Different measures of capital

The Company measures its capital on a number of different bases. These include measures which comply with the regulatory regime within which the Company operates and those which the directors consider appropriate for the management of the business. The measures which the Company uses are:

- (i) Accounting basis

The Company is required to report its results on an IFRS basis.

- (ii) Regulatory basis

Relevant capital and solvency regulations are used to measure and report the Company's financial strength. These measures are based on the Company being subject to the capital requirements applicable to companies which are personal investment firms and SIPP operators imposed by the FCA. The Company fully complied with the relevant regulatory requirements during the year.

The reconciliation below is between total IFRS funds and total own funds under IPRU (Inv) and MIPRU.

	2023	2022
	£000	£000
Total IFRS shareholders' funds	8,267	22,471
Adjustments onto a regulatory basis:		
Deferred tax assets	(1,208)	(4,729)
<b>Total own funds</b>	<b>7,059</b>	<b>17,742</b>

The decrease in total available capital resources is driven by in year losses suffered by the AFA business coupled with the increase in the intangible deferred tax asset.

In addition to the minimum regulatory requirements outlined above, the Company complies with Group mandated Capital Management Risk Standards which include the setting of risk appetites which are designed to give some buffer against adverse events when compared with minimum solvency. These appetites define what action should be taken by management where the actual capital level is above or below the desired target level.

### 11. Risk management

#### (a) Risk management framework

The Company operates a risk management framework (RMF) that forms an integral part of the management and Board processes and decision-making framework, aligned to the Group's risk management framework. The key elements of the risk management framework comprise risk appetite; risk governance, including risk policies and business standards, risk oversight committees and roles and responsibilities; and the processes the Company uses to identify, measure, manage, monitor and report ("IMMMR") risks.

The RMF has been adopted by the boards of the legal entities within the business collectively referred to as "Insurance, Wealth & Retirement (IWR)" (including this Company).

For the purposes of risk identification and measurement, and aligned to the Company's risk policies, risks are usually grouped by risk type: credit, market, liquidity, and operational risk. Risks falling within these types may affect a number of metrics including those relating to statement of financial position strength, liquidity and profit. They may also affect the performance of the products the Company delivers to its customers and the service to its customers and distributors, which can be categorised as risks to brand and reputation or as conduct risk.

To promote a consistent and rigorous approach to risk management across the business, the Company has a set of risk policies and business standards which set out the risk strategy, appetite, framework and minimum requirements for the Company's operations. The IWR Chief Executive Officer makes an annual declaration that the system of governance and internal controls was effective and fit for purpose for their business throughout the year; this declaration is supported by an opinion from the IWR Chief Risk Officer. Any material weaknesses in subsidiary companies are considered as part of this overall process.

Aviva Administration Limited

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## Notes to the financial statements (continued)

The Risk Appetite Framework was refreshed during the year, with revised risk appetites considered and approved by the Board. Since 2021, Climate Risk has been integrated and defined within the overall UK IWR risk appetite framework as part of the use in risk-based decision-making.

A regular top-down key risk identification and assessment process is carried out by the risk function. This includes the consideration of emerging risks and is supported by deeper thematic reviews. IWR also operates a risk and control self-assessment process. The risk assessment processes are used to generate risk reports which are shared with the Board.

Roles and responsibilities for risk management are based around the 'three lines of defence model' where ownership for risk is taken at all levels. Line management in the business is accountable for risk management, including the implementation of the risk management framework and embedding of the risk culture. The risk function is accountable for quantitative and qualitative oversight and challenge of the IMMMR processes and for developing the risk management framework. Internal Audit provides an independent assessment of the risk management framework and internal control processes.

Board oversight of risk and risk management across the Company is maintained on a regular basis.

### (b) Market risk

Market risk is the risk of loss or adverse change in the financial situation (including the value of assets, liabilities and income) resulting, directly or indirectly, from fluctuations in the level or the volatility of market variables, such as interest rates, foreign exchange rates, equity, property and commodity prices. The nature of the business means that the Company is not exposed to significant market risk.

### (c) Credit risk

Credit risk is the risk of adverse financial impact resulting from fluctuations in credit quality of third parties including default, rating transition and credit spread movements.

The nature of the Company's business means that it is not exposed to significant credit risk as the Company does not have any material receivables balances. A significant amount of business relates to the Aviva Group of companies and exposure is managed through regular and timely payments.

Expected credit losses on material trade receivables and other assets are calculated with reference to the Company's historical experience of losses, along with an analysis of payment terms. The Company makes use of the simplified approach when calculating expected credit losses on trade receivables which don't include a significant financing component, and therefore calculates expected credit losses over the lifetime of the instrument in question. Expected credit losses have been calculated using a provision matrix where recoverability has been assessed against the age of the receivable.

### (d) Liquidity risk

The nature of the business means that the Company is not exposed to significant liquidity risk as payables are mainly inter company balances. The Board seeks to determine that the Company has sufficient financial resources to meet its obligations as they fall due.

The Company is subject to the capital requirements applicable to companies which are personal investment firms and SIPP operators imposed by the FCA. The Company has fully complied with its regulatory requirements during both current and prior year.

### (e) Operational risk

Increasing geo-political tensions have heightened the risk of cyber security attacks on the Aviva Group or its suppliers, with the potential to cause business service interruption and/or data or intellectual property theft. In response the Aviva Group continues to actively monitor the threat environment and enhance its IT infrastructure and Cyber controls to identify, detect and prevent attacks. Aviva's Cyber defences are regularly tested using our own 'ethical hacking' team and the Aviva Group has engaged with suppliers to put in place all reasonable measures so that services to Aviva and its customers are protected.

The Aviva Group actively monitors social and other media in order to manage misinformation about our business, products, colleagues and customers should we be targeted by a hostile actor, taking corrective media action if necessary.

## 12. Related party transactions

(a) The members of the Board of Directors are listed on page 3 of these financial statements.

### (b) Services provided to related parties

Other amounts receivable at the year end are due to the following:

	2023	2022
	£000	£000
Fellow subsidiaries	<b>67</b>	—
	<b>67</b>	—

The related parties' receivables are not secured and no guarantees were received in respect thereof. No provision or expense has been recognised during the year in respect of bad and doubtful debts (2022: £nil).

### (c) Services provided by related parties

Under a management agreement, Aviva Life Services UK Limited (UKLS) supplies and makes charges for the provision of operational assets and staff to the Company. The agreement specifies the amounts payable to UKLS in respect of these expenses, which for 2022 was a charge of £10.0 million (2022: £14.3 million).

Aviva Administration Limited

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**Notes to the financial statements (continued)**

Amounts payable at the year end are due to the following:

	2023	2022
	£000	£000
Parent	—	4,103
Fellow subsidiaries	<b>11,641</b>	1,816
	<b>11,641</b>	5,919

The related parties' payables are not secured and no guarantees were received in respect thereof.

**(d) Key management compensation**

Key management personnel are remunerated by Aviva Employment Services Limited, a fellow subsidiary of the ultimate parent company, Aviva plc. They act as key management for a number of fellow subsidiary undertakings and their remuneration is recharged, under management service agreements, across a number of operating divisions of the Aviva Group. Key management personnel's remuneration cannot be accurately calculated or disclosed. Accordingly, no costs are disclosed in respect of these employees.

**(e) Parent entity**

The immediate parent undertaking is Aviva Life Services UK Limited, a company incorporated in England.

**(f) Ultimate controlling entity**

The ultimate controlling entity, and parent of the largest and smallest groups which consolidate the results of the Company, is Aviva plc. Its Group Financial Statements are available on application to the Group Company Secretary, Aviva plc, 80 Fenchurch Street, London, EC3M 4AE and on the Aviva plc website at [www.aviva.com](http://www.aviva.com).