

Company registration number 01235686 (England and Wales)

ARENA WEALTH MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ARENA WEALTH MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	D P Lumley P J Barker
Company number	01235686
Registered office	3rd Floor Chiswick Gate, 598-608 Chiswick High Road, Chiswick, London, UK W4 5RT
Auditor	Lewis Evans Partnership LLP The Oaks 3 Village Road West Kirby Wirral CH48 3JN
Bankers	Adam & Company Plc 6 Adelaide Street London WC2N 4HZ

ARENA WEALTH MANAGEMENT LIMITED

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ARENA WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Business review

The Company's principal business is the managing of investment portfolios for private clients. Fees are earned for management and administration services and also from performance fees.

After the convulsions induced by the covid pandemic in 2020, when markets initially crashed but then bounced almost a quickly, the upward momentum was carried through into 2021. The liquidity introduced into developed economies and the continuation of very low interest rates provided the adrenalin that markets needed to move to highs around the end of December. However, the first quarter of 2022 saw significant retrenchment in many asset classes, with broad equities and bond markets suffering significant falls which carried on through the second quarter of the year. These falls had several causes, among them the fear of and then the reality of rising interest rates, inflation becoming an important factor, made worse by the energy crisis provoked by the war in Ukraine, China and other supply problems post covid and there was also an element of realisation that investment valuations in some sectors had become too hot.

Assets under management grew steadily through the year as clients continued to make investments to provide for their futures. The business was able to earn performance fees as a result of investment performance in 2021. The business's costs remained roughly fixed, leading to a higher level of profitability than in previous years.

Looking forward, clients' investment portfolios have fallen in value as most investment markets have fallen so far through 2022. We are confident that this will not affect the viability of the business. Cash reserves are in place and the business should be profitable even if no performance fees are earned, as seems likely for 2022. There are several clearly visible risks given the geo-political situation and rising inflation and interest rates and we have been adjusting portfolios to meet those risks as best we can.

Principal risks and uncertainties

The management of the Company place high priority on strong risk management as they recognise that there is risk inherent in the business and in the markets in which the Company specialises. The main risks which the Company's management seek to mitigate are:

- Liquidity risk;
- Operational risk;
- Market risk;
- Credit risk; and,
- Investment risk.

Due to the nature of the financial instruments used by the Company, there is no exposure to price risk.

Liquidity risk

In respect of bank balances, the liquidity risk is managed by maintaining sufficient available bank balances in excess of minimum liquidity requirements and taking account of the Company's liabilities. The Company's financial position is monitored on a regular basis.

Operational risk

If fee income drops significantly, the ability of the Company to operate would be affected. The directors of the Company, who are also owners of the Company's holding company, would provide financial support if necessary. However, operational risk is controlled by having sufficient financial resources in the Company as described above, by having investment and other professionals of high calibre and by continually reviewing the Company's controls and procedures.

ARENA WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Principal risks and uncertainties (continued)

Market risk

Fees are earned in Sterling, but also in Euros and US Dollars, so the Company faces a foreign exchange market risk. The risk is controlled by maintaining sufficient funds in the business so that the conversion of fees earned into Sterling can be done at a moment opportune to the Company.

Credit risk

The Company does not hold client money and therefore does not have the obligation to pay clients. Management believes that the likelihood of client default in respect of payment of fees is low, but this risk is mitigated by ensuring that clients hold sufficient cash balances to cover fees.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Investment risk

Poor investment performance in the assets we manage for clients could result in a significant reduction in management fees earned. This fundamental risk is managed by ensuring that our team of investment professionals is skillful and qualified, that we use robust investment processes and that the risk analysis of client portfolios is thorough.

Financial key performance indicators

The financial key performance indicators of the Company are turnover and the operating profit, which are stated on page 9.

Section 172 statement

Directors of the Company are required to act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in so doing have regard, among other matters to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

To assist them in discharging their duty under s172 Companies Act 2006, directors consider the views and interests of stakeholders. This information helps directors to have regard to stakeholder interests, and the likely long term consequences, including to the Company's reputation, when making decisions. The Company's key stakeholders are listed below with examples of the stakeholder engagement activities that took place in 2021/22.

Employees: During the year, the directors took part in reviews with the two employees. There are also regular meetings held with them at which questions about the business can be asked.

Suppliers: The Board is well aware of the key suppliers to the business. The Board will consider the risks associated with key supplier relationships, to gain an understanding of potential operational and data-related risks associated with them.

ARENA WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Section 172 statement (continued)

Clients: Throughout the year, the directors were kept aware of client portfolio performance and client relationship matters.

Community and Environment: The directors consider that the company, being a small enterprise, can deliver only small impacts on the community and the environment. However, decisions are taken in the light of possible impacts.

Regulators: During the year, the Board received regular updates on interactions with its key regulator, the FCA.

Investors: The Company is a wholly owned subsidiary of Arena Wealth Limited. Arena Wealth Limited is controlled by two directors of the company.

Capital resources

The Company's Pillar 3 disclosure can be found on the Company's website.

On behalf of the board

D P Lumley
Director

22 July 2022

ARENA WEALTH MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £400,000. The directors do not recommend payment of a final dividend.

Post year end, an interim dividend of £250,000 and \$123,487 (£100,000 equivalent) has been proposed and declared.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D P Lumley

P J Barker

Financial instruments

The Company has an uncomplicated structure. The Company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these financial instruments is to provide funds to finance the Company's operations. The Company does not hold client money or assets. Further details on the Company's exposure to financial risks and its financial risk management objectives and policies are given in the Strategic Report.

Auditor

Under section 487(2) of the Companies Act 2006, Lewis Evans Partnership LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

D P Lumley

Director

22 July 2022

ARENA WEALTH MANAGEMENT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

ARENA WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARENA WEALTH MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Arena Wealth Management Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

ARENA WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARENA WEALTH MANAGEMENT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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.

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

The key objectives of our audit are to identify and assess the risks of material misstatement within the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to potential breaches of the applicable Financial Conduct Authority (FCA) rules and UK corporate tax laws, 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 preparation of the financial statements, such as the Companies Act 2006.

We have also considered the incentives and opportunities for management to manipulate the financial statements (including the risk of override of controls), and the principal risk areas were considered to include journal entries which could manipulate income as well as potential management bias in accounting estimates and judgemental areas of the financial statements, such as debtor provisioning.

Audit procedures performed by the engagement team included:

- Obtaining an understanding of how the company is complying with the legal and regulatory frameworks by making enquiries of the Board and other management.

ARENA WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARENA WEALTH MANAGEMENT LIMITED

Audit procedures (continued):

- Requesting and reviewing the minutes of meetings of those charged with governance.
- Reviewing relevant regulatory data filed with the FCA and internal compliance reporting in so far as they relate to potential non-compliance with laws and regulations and fraud.
- Reviewing the basis of debtor provisioning and year end balances for recoverability.
- Identifying and testing journal entries, in particular material year-end adjustments and any unusual journal entries that result in an increased risk.
- Assessing the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included:
- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for the override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgments made by management in its significant accounting estimates;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- identifying and testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and there remains an unavoidable risk that material misstatements in the financial statements might not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). 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 a material misstatement resulting from an error, as fraud may involve deliberate concealment or intentional misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Simon Evans FCA (Senior Statutory Auditor)
For and on behalf of Lewis Evans Partnership LLP

22 July 2022

Chartered Accountants
Statutory Auditor

The Oaks
3 Village Road
West Kirby
Wirral
CH48 3JN

ARENA WEALTH MANAGEMENT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	2	978,885	734,550
Administrative expenses		(498,870)	(513,727)
Operating profit	3	480,015	220,823
Interest receivable and similar income		23	58
Profit before taxation		480,038	220,881
Tax on profit	7	(90,904)	(39,042)
Profit for the financial year		389,134	181,839
Retained earnings brought forward		521,220	339,381
Dividends	8	(400,000)	-
Retained earnings carried forward		510,354	521,220

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ARENA WEALTH MANAGEMENT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	9	596,252		235,676	
Cash at bank and in hand		280,442		583,760	
		<u>876,694</u>		<u>819,436</u>	
Creditors: amounts falling due within one year	10	<u>(331,340)</u>		<u>(263,216)</u>	
Net current assets			<u>545,354</u>		<u>556,220</u>
Capital and reserves					
Called up share capital	12		35,000		35,000
Profit and loss reserves			<u>510,354</u>		<u>521,220</u>
Total equity			<u>545,354</u>		<u>556,220</u>

The financial statements were approved by the board of directors and authorised for issue on 22 July 2022 and are signed on its behalf by:

D P Lumley
Director

Company Registration No. 01235686

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Arena Wealth Management Limited (company number 01235686) is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor Chiswick Gate, 598-608 Chiswick High Road, London, W4 5RT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument and basis of determining fair values.

The financial statements of the company are consolidated in the financial statements of Arena Wealth Limited. These consolidated financial statements are available from its registered office, 3rd Floor Chiswick Gate, 598-608 Chiswick High Road, London W4 5RT.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.5 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities, such as trade and other accounts receivable and payable and amounts due to and from group undertakings and related entities.

Trade accounts and any other amounts wholly payable or receivable within a year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade or other debt deferred beyond normal business terms, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

Classification of financial liabilities

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Provision of financial advisory and investment management services	978,885	734,550
	<u> </u>	<u> </u>
	2022	2021
	£	£
Other revenue		
Interest income	23	58
	<u> </u>	<u> </u>

All turnover arose within the United Kingdom.

3 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(11,953)	13,904
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Directors	2	2
Management and other staff	3	2
	<u> </u>	<u> </u>
Total	5	4
	<u> </u>	<u> </u>

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Employees

(Continued)

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	177,431	181,764
Social security costs	18,356	20,468
Pension costs	5,964	7,539
	<u>201,751</u>	<u>209,771</u>

5 Auditor's remuneration

Fees payable to the company's auditor and associates:

	2022 £	2021 £
For audit services		
Audit of the financial statements of the company	4,500	4,500
	<u>4,500</u>	<u>4,500</u>
For other services		
Audit-related assurance services	1,750	1,750
Taxation compliance services	1,900	1,900
Assistance with the preparation of the statutory accounts	750	750
Other services	360	230
	<u>4,760</u>	<u>4,630</u>

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	90,000	96,667
	<u>90,000</u>	<u>96,667</u>

7 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	91,233	41,996
Adjustments in respect of prior periods	(329)	(2,954)
	<u>90,904</u>	<u>39,042</u>

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	480,038	220,881
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	91,207	41,967
Tax effect of expenses that are not deductible in determining taxable profit	26	29
Under/(over) provided in prior years	(329)	(2,954)
Taxation charge for the year	90,904	39,042

8 Dividends

	2022 £	2021 £
Interim paid	400,000	-

9 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	565,998	109,445
Other debtors	585	585
Prepayments and accrued income	29,669	125,646
	596,252	235,676

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Corporation tax	91,233	41,996
Other taxation and social security	34,711	27,864
Other creditors	95,724	107,196
Accruals and deferred income	109,672	86,160
	331,340	263,216

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	5,372	6,951

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

12 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	35,000	35,000	35,000	35,000

13 Events after the reporting date

Post year end, a dividend of £250,000 and \$123,487 (£100,000 equivalent) has been proposed and declared.

14 Ultimate controlling party

The ultimate parent company is Arena Wealth Limited (company number 05590656), a company registered in England and Wales. Arena Wealth Limited prepares group financial statements and copies can be obtained from 3rd Floor, Chiswick Gate, 598-698 Chiswick High Road, London W4 5RT. The ultimate controlling party is the directors.

15 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management service fee and other recharges	
	2022	2021
	£	£
Fees and recharges from entities with control, joint control or significant influence over the company	116,613	108,306
	<u>116,613</u>	<u>108,306</u>
	2022	2021
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	92,701	94,291
	<u>92,701</u>	<u>94,291</u>

Amounts owed to related parties are included within other creditors.

ARENA WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Related party transactions

(Continued)

The company has taken advantage of the exemption available in FRS 102 section 33, "Related Party Disclosures", whereby it has not disclosed transactions with the parent company, Arena Wealth Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.