

Strategic report – Wilmington plc 30 June 2022

Financial performance

	FY22	FY21	Change
Revenue	£121.0m	£113.0m	7%
Adjusted PBT ¹	£20.7m	£15.0m	38%
Adjusted PBT margin	17.1%	13.3%	29%
Adjusted basic EPS ²	18.66p	13.62p	37%
Net cash/(debt) ³	£20.5m	(£17.2m)	216%
Total dividend	8.2p	6.0p	37%
Statutory profit/(loss) before tax	£36.1m	(£2.0)m	
Statutory basic earnings/(loss) per share	37.46p	(5.18p)	

- 13% organic⁴ revenue growth driven by successful digitalisation programme, new product investment and return to FTF⁵ events. Organic revenue growth 5% excluding FTF events.
 - Training & Education division delivered 18% organic growth
 - Intelligence division delivered 10% organic growth
- Annual recurring revenues grew by 5%, now 37% of Group revenues
- Adjusted profit before tax up 38% to £20.7m (2021: £15.0m) reflecting continuing efficiencies of digital-first model
- Strategic sale of AMT for proceeds of £23.4m before completion adjustments
- Net cash at 30 June 2022 £20.5m (2021: net debt £17.2m) reflecting strong trading performance, effective cash management strategies and sale of subsidiaries and property
- Strong cash conversion⁶ of trading profits of 114% (2021: 104%)
- Investments driving strategic progress, future growth plans enhanced by development of single technology platforms in each division
- Further embedded cultural ambitions, bolstered by commitments to Race at Work Charter, Inclusive Employers and Disability Confident
- Committed Net-Zero Carbon Targets

Mark Milner, Chief Executive Officer, commented:

"These strong results demonstrate the success of our strategy with good organic revenue growth, profits up by 38% and substantial cash generation. Our new operating model is successfully embedded and has enhanced our position in the large, expanding and rapidly evolving Governance Risk and Compliance markets."

"The investments we have made in technology and data are accelerating our growth ambitions as we develop single technology platforms in each division. These investments are enhancing our position by creating a scalable portfolio of assets that are strongly aligned to the dynamic and growing GRC market."

"We have a resilient business model with increasing recurring revenues. We have seen good demand in all areas during the first quarter of the current financial year, generating revenues and profitability in line with our expectations."



¹ Adjusted profit before tax – see note 2.

² Adjusted basic earnings per share – see note 9.

³ Net cash includes cash and cash equivalents, bank loans (excluding capitalised loan arrangement fees) and bank overdrafts but excludes lease liabilities.

⁴ Organic – eliminating the effects of exchange rate fluctuations and the impact of acquisitions and disposals.

⁵ FTF – face-to-face.

⁶ Cash conversion – see note 30.

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At a glance

Effectively navigating the Regulatory Compliance landscape

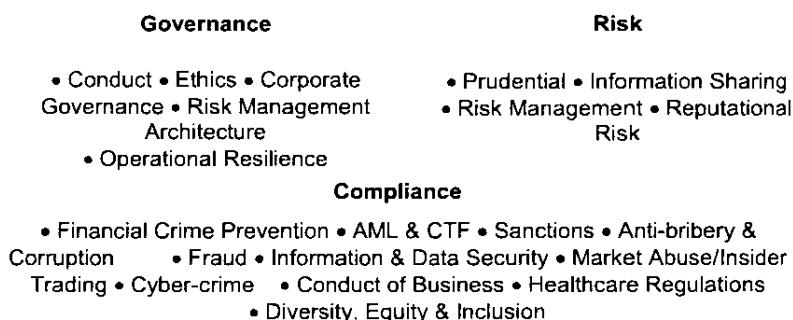
Wilmington is a scalable portfolio in the resilient and expansive GRC markets, providing solutions to enterprise customers and professionals from a broad range of industries.

Our customers operate within a complex array of legal, political and regulatory frameworks, all dictated by the ever-evolving regulatory landscape. We help them to navigate this complexity and respond to emerging areas of risk by providing a complementary range of solutions via single technology platforms. Our intelligence gives customers the detailed insight they need to understand the regulatory landscape, and our specialist training equips them to navigate it successfully.

Our solutions are focussed on real-world outcomes and are based on significant and defensible intellectual property built up over many years. Our teams of experienced industry practitioners and talented subject matter experts are central to our unique offering. We are proud to be recognised by our customers as a trusted and valued partner as we help them navigate their business challenges.

Wilmington is a digital-first business with strong capabilities in online and hybrid learning, and in the management and provision of mission-critical information and data. The strength of our portfolio is underpinned by an operating model which allows our portfolio of brands to leverage the value of the Group's technology platforms to deliver unique solutions to their customers. We invest in the core competencies that drive quality in our products to enable our brands to exhibit a unique set of characteristics that define our competitive advantage.

The products that Wilmington's two divisions offer focus on three main sub-categories of Governance, Risk and Compliance:



The GRC markets are underpinned by strong macro drivers, which are closely aligned to the Group's core offering and inform our strategy to increase brand presence in this market:

- Increasing volume of regulation;
- Increasing fraud and cyber risk;
- Evolving role of compliance;
- Escalating regulatory enforcement;
- Increasing importance of responsible business practice;
- Increasing adoption of technology solutions; and
- Complex geopolitical landscape.

Intelligence¹

Wilmington's Intelligence division consists of businesses which provide must-have, authoritative risk and compliance data to a range of industries globally, including insurance, pensions and healthcare. The information and data solutions provided by our brands in this division represent the gold standard in accuracy and timeliness, and this capability is enhanced by the expertise of our research analysts and industry practitioners, to ensure that we provide actionable insight to customers. Much of our data is developed by our own teams, and we own the associated intellectual property.

Training & Education

This division provides compliance training and technical support for customers across a range of industries including financial services, accountancy and healthcare. We offer a wide product range, including formal qualifications, continuing education and mandatory training, through instructor-led and self-guided formats. Our excellence in this area is underpinned by world-class and engaging course content, developed in house by our team of experienced subject matter experts, and enhanced by Wilmington's strong digital subscription management and dynamic delivery platform.

¹ The Information & Data division was renamed to Intelligence during the year.

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Revenue analysis

Revenue can be analysed by segment as follows:

Total Revenue

% of Group revenue	2022	2021
Intelligence	49%	50%
Training & Education	51%	50%

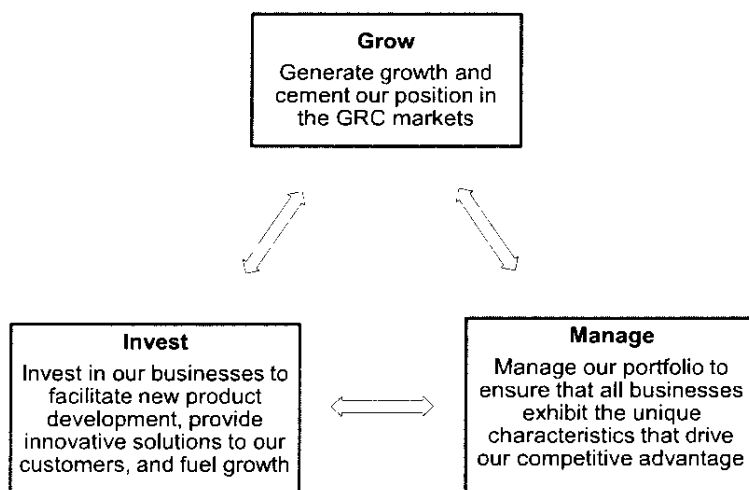
Revenue can be analysed by geography as follows:

Total Revenue

% of Group revenue	2022	2021
UK	53%	55%
Europe (excluding the UK)	21%	21%
North America	18%	13%
Rest of the World	8%	11%

Strategy

Wilmington's streamlined operating model is underpinned by single technology platforms across each division, and its success is driven by the synergistic potential of its unique portfolio of brands. We have effectively delivered our strategic objective to achieve organic growth, and we continue to cement our position in the large and growing GRC markets by investing in operational efficiencies and in the core competencies that drive our competitive advantage.



By drawing on our core competencies we have embedded a set of defining characteristics into all of our brands which, in combination, drive progress against our three integrated strategic objectives.

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Wilmington characteristics: what makes us unique	
Digital capabilities Our digital-first model demonstrates best in class digital capabilities including: <ul style="list-style-type: none"> • Delivery platform agnostic • Multi-device enabled • Excellence in User Experience ('UX') and User Interface ('UI') solutions • Digital front and back office 	Data enabled Our businesses are data enabled, allowing them to provide unique insight and innovative solutions to their customers, driven by: <ul style="list-style-type: none"> • Unique methods of data collection, measurement, integration and analysis, supported by dynamic user interfaces • Proprietary data and bespoke services
Differentiated offering Our businesses occupy strong positions in the markets they serve, exhibited via the following credentials: <ul style="list-style-type: none"> • Market leaders – within the top three • Unique products with owned IP • Strong brands valued highly by customers 	Attractive markets The markets in which we operate present opportunities for sustained growth: <ul style="list-style-type: none"> • Macro fit with Wilmington's core markets • Micro fit with a growing end-user base in which our solutions are integrated into customer systems
Strong product and revenue model Our product and revenue model drives value by targeting the following actions: <ul style="list-style-type: none"> • Identifying attractive economics • Prioritising repeatable revenue streams • Leveraging success across the portfolio to maximise the benefit of synergistic potential 	Strong leadership Our businesses are led by individuals who are best placed to accelerate their growth, evidenced by their core competencies: <ul style="list-style-type: none"> • Experts in their field, aligning sector specific knowledge to product development and delivery • Innovators seeking to embrace change to deliver bespoke customer solutions

Delivering growth

The delivery of our organic growth strategy reflects our clear focus on embedding the unique combination of characteristics that define our competitive advantage across the Group, and in doing so has further strengthened each of the brands within our portfolio. The foundation for this growth has been the effective investments we made in our business to deliver operational excellence, by developing a common approach in the key areas that progress our strategy. Following the restructure of our operating model in June 2021, we have focussed on developing single technology platforms to underpin the future growth of each division and drive our expansion in the GRC markets.

Investment focus: Operational excellence

Over the past three years we have invested heavily in operational excellence to accelerate our growth ambitions by developing the best in class approach to managing technology and data, sales and marketing, talent, and product development. These investments have been underpinned by our work to embed a responsible business culture across the Group that informs our strategic progress by supporting our people to make decisions in a way that delivers long term value. Full details of the progress we have made against our sustainability strategy objectives during the year are outlined in the Sustainability report on pages 12 to 18. This work includes the investments we have made across all aspects of employee experience and demonstrates how we are attracting and developing the diverse, talented workforce that is central to our ongoing success.

Investment focus: Developing single technology platforms

In addition to our People strategy, the investments we made in operational excellence focussed heavily on enhancing our product, technology and data capabilities, as the key mechanisms to deliver high quality solutions to our customers. The success of this work has provided the stepping stone for our next phase of investment, which began this year, to embed single technology platforms in each division.

Training & Education division – single Digital Learning Platform

The Platform integrates cloud-based technologies to a single solution, creating a personalised ecosystem in which a customer can sign up to programmes, consume course materials through multi-media formats, complete assignments and tasks, and repeat visits to access additional content.

Intelligence division – single Data Connect Platform

Our Data Connect Platform is a single, common data platform, deploying Snowflake® technology to bring together all our assets, allowing us to offer a greater data set to our clients delivered through intuitive data dashboards. We are offering APIs as standard to our clients to enable the use of our data as an integral part of their business processes.

Investment focus: Future progress

Our ongoing investment in operational excellence and single technology platforms is at the heart of our plan to ensure that Wilmington continues to demonstrate the agility to adapt and grow, both organically and through acquisition, as customer demands evolve and new market opportunities arise. By embedding common infrastructure and processes, the Group is well placed to effectively enhance and expand its unique offering.

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Chair's statement

I am pleased to present the Annual Report for the year ended 30 June 2022. We delivered in line with our strategy during the year, and the business also showed real organic growth resilience in both revenues and profits. We continue to realise the benefits of our digital-first model, with associated efficiencies demonstrated by our improved profitability.

The Group has emerged from the Covid-19 affected period to grow revenues by 13% organically across all product areas, led by a strong rebound in events where we have been able to run face-to-face events in both Europe and the US all year.

This revenue growth and continued focus on cost management has resulted in profit increases at all levels. Our cash position also improved because of the conversion to cash of these higher profits and the sale of AMT during the year.

We have increased our dividend payments this year by 37% with a final dividend of 5.8p, resulting in a dividend yield back above the average for our market sector.

In June 2021 we implemented a new group structure and operating model to increasingly focus the business on the resilient and growing GRC markets. We report here on the performance of this structure and on the success of our investment in the business and the technology supporting it. We sold the AMT training business and a smaller training reseller in the year and will continue to refine our portfolio where and when appropriate.

The effective execution of our strategy and strong financial results reflect the hard work and dedication of our talented teams. Our people continue to deliver an outstanding quality of content in all product areas, while demonstrating resilience in the face of ongoing uncertainty and challenge. I would like to take this opportunity to thank all of them for their contribution to our focus on serving our customers to the highest standards and on driving long term value for our stakeholders.

Current trading and outlook

The effective strategic execution over the past twelve months has positioned the Group well to expand its presence in the GRC markets, and to drive future growth.

Trading has been encouraging in the first quarter, with good demand in all areas generating revenues and profits in line with expectation. We continue to manage the challenges caused by inflationary pressures, and the proven resilience of the Group provides reassurance that it is well placed to withstand the impact of ongoing macro-economic volatility.

CEO's review

Results

I'm pleased to present my report on the year ended 30 June 2022. We have executed our strategy by growing our revenues and profits organically in the markets we focus on; investing further in our business and the technology it runs on; and by actively managing our portfolio of brands. The business has demonstrated notable resilience, reflected by the strong financial performance.

We have delivered organic revenue growth of 13% by growing all parts of our business – a result enhanced by a return to face-to-face events this year. Growth excluding events was 5% and reflects increased demand for our core offering in all product areas. We have also achieved a five-percentage point growth in recurring revenue⁷, which now represents 37% of total revenue, driven by recent investments in sales and marketing capabilities.

The increased revenues and a continued focus on operational efficiency and cost management resulted in adjusted PBT growth of 37.8% to £20.7m (2021: £15.0m) and a corresponding improvement in adjusted PBT margin to 17.1% (2021: 13.3%). This resulted in adjusted basic earnings per share being up 37.0%. We also are proposing a final dividend of 5.8p (total of 8.2p). The Group moved into a net cash position (excluding lease liabilities) of £20.5m (2021 net debt: £17.2m) after the sale of AMT and a strong year of converting profits to cash.

Strategy

Following a comprehensive review of our portfolio in 2021, our strategic focus has been centred on building upon our already strong presence in the large, growing and rapidly evolving GRC markets. These markets are underpinned by strong macro drivers, particularly the increasing volume and enforcement of regulation, complex geopolitical landscape, increased importance of ESG and widespread adoption of technological and data-driven compliance solutions, all of which align strongly to Wilmington's core offering.

At the heart of this focus on the GRC markets is our ambition to help our customers to do the right business in the right way, by providing a complementary range of information & data and training & education solutions. Our operating model mirrors this core purpose - our Intelligence division provides specialist data and analytics that give customers the detailed insight they need to understand the regulatory landscape, and our Training & Education division delivers specialist training that equips them to navigate it successfully.

As planned we sold AMT during the year and have now identified a buyer for our small Spanish insurance business. We expect this divestment to be concluded in the first half of the 2023 financial year.

⁷ Recurring revenues – those contracted at least one year ahead

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Investment programme

Our investment approach across the Group continues to be to leverage our core competencies to embed the unique characteristics that define our competitive advantage into each of our brands. Our investment focus is on developing single technology platforms in each of our divisions, providing the foundation to accelerate our growth ambitions.

Our investment during this calendar year in the development of single technology platforms will further differentiate us by providing unique solutions to our customers. They will also enhance our growth potential as we retain the agility to respond to their ever changing needs in the rapidly evolving GRC markets. The implementation of single platforms in each division will also allow us to efficiently expand our offering by creating a scalable portfolio to enhance our growth potential.

Two of our brands in the Training & Education division are already benefiting from our Digital Learning Platform, and we are on track to have the remaining brands within the division fully deployed to this common platform by December 2022.

Our Data Connect Platform, deploying Snowflake® technology, has already been rolled out to three of our Intelligence division brands, and will also be used across the whole division by December 2022.

We continue to develop new products and identify clear organic growth opportunities, with the future potential for effective roll out of these greatly enhanced by our single platform approach. This strategy for maximising the value of our technology and data assets, combined with our streamlined operating model, provides the strong base to actively consider acquisition targets which complement and/or extend our capabilities.

Responsible business

As we continue to help our customers to do the right business in the right way, we are committed to investing in the initiatives that support our own responsible business culture. We have achieved progress against our targets in all four areas of our sustainability strategy, and this work continues to underpin our broader strategic objectives and risk management processes. Full details of this work can be found in our Sustainability report on pages 12 to 18.

We have implemented the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations in full, concluding that we must continue to monitor the impacts of climate change on the Group's risk profile, but that the potential opportunities that may arise from the transition to a low-carbon economy are well aligned to our core offering. We have committed to net-zero carbon targets, with an ambition of absolute zero in respect of Scope 1 and 2 emissions by 2028, and net zero in respect of Scope 3 emissions by 2045.

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Review of operations

Intelligence

	2022 £'m	2021 £'m	Absolute variance %	Organic ¹ variance %
Revenue				
Healthcare ²	31.1	28.4	10%	11%
Financial Services and Other ³	23.2	21.3	9%	10%
MiExact	5.0	5.0	1%	1%
Discontinued ⁴	0.3	2.1	(86%)	
Total revenue	59.6	56.8	5%	10%
Operating profit	11.4	9.3	22%	22%
Margin %	19%	16%		

Business model and markets

Wilmington offers a wide range of products and services through its Healthcare businesses predominantly around the provision of market and customer intelligence. The core of the data supplied comes primarily from publicly available sources. The value generated by our services is based around its collation, verification, combination with other complementary data sources and then its ease of presentation and usage. In some areas we provide proprietary analysis of the data and editorial comment which constitute our own intellectual property.

Wilmington's Healthcare businesses operate mainly in the UK and France and provide deep insight information on practitioners, facilities and treatments in the UK and French health sector markets that enable suppliers into those markets, including pharmaceutical companies, to understand and connect better with their customers. Revenue is mainly earned through sales of discrete packages of data or through subscription services for the ongoing provision of information. Additionally, in the UK we publish the Health Service Journal ('HSJ'), the leading online publication in the UK for healthcare leaders, with revenue generated through providing subscriptions to NHS foundation trusts, Clinical Commissioning Groups and suppliers to the NHS.

The Financial Services/Other businesses operate in the Insurance, Pensions and Compliance markets. These businesses provide a broad range of information products and services with revenues generated primarily through subscription but also sponsorship, lead generation and event attendance.

Identity & Charities rebranded as MiExact in the year as part of the restructuring of its product set begun last year. The MiExact business consists of a portfolio of data products including charity fundraising information, and marketing data suppression tools. They include services that are used by organisations to help prevent identity fraud. Revenue is predominantly subscription based.

Trading performance

Overall Intelligence revenues grew 5%, 10% organically. All businesses within the division grew organically. Recurring subscription revenues grew four percentage points with strong retention rates.

Healthcare revenues grew 11% organically, helped by the return to face-to-face events in the UK. Subscription revenues grew 7% with UK revenues up 12% and French revenues up 4%. Competitive pressure continued to challenge growth of Data revenue in some areas, but overall demand for these products was good.

Financial Services revenues grew 10% organically with growth in Axco, Pendragon, Compliance Week and the held-for-sale Inese. Compliance Week and Inese benefitted from the return to face-to-face events while subscriptions grew well in Axco and Pendragon, where retention rates were above 99%.

MiExact revenues grew 1% after a slow first half was followed by a strong final quarter. Subscription revenues had a retention rate above 95%.

Intelligence divisional operating profit grew by 22%, helped by its revenue growth and continuing focus on its cost base. Operating margins improved to 19% from 16%.

¹ Organic – eliminating the effects of exchange rate fluctuations and the impact of acquisitions and disposals.

² UK Healthcare and APM.

³ Pendragon, Axco, Compliance Week and Inese.

⁴ Discontinued refers to disposed or closed businesses or product lines.

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Training & Education

	2022 £'m	2021 £'m	Absolute variance %	Organic variance %
Revenue				
Global ⁵	23.2	22.4	3%	3%
UK and Ireland ⁶	22.1	20.3	9%	9%
North America ⁷	11.0	4.9	125%	122%
Discontinued ⁸	5.1	8.6	(39%)	
Total revenue	61.4	56.2	9%	18%
Operating profit	16.0	12.2	31%	32%
Margin %	26%	22%		

Business model and markets

The Global business comprises two units that operate in Compliance markets. The largest business, which was developed organically within Wilmington, is the International Compliance Association ('ICA'). It is an industry body and training business that we created in 2002 which offers professional development and support to compliance officers predominantly in the financial services sector. It has offices in the UK, Singapore, Malaysia and Dubai. ICA primarily serves the financial services industry. The material for ICA courses is developed by our own internal R&D team, and external specialists, and we own the associated intellectual property.

Revenue earned by ICA is primarily training income complemented by subscriptions paid by the professional members for their ICA accreditations. The courses ICA run usually extend over several weeks or even months. They traditionally mix distance learning with face-to-face sessions. The distance learning element has transitioned to online and digital variants, and virtual programmes have been offered in place of face-to-face sessions. To support the move to virtual training in ICA a new Digital Learning Platform ('hub') is being built – it was launched at the start of 2021 and further developments are due for release in the coming months.

The other Global business, CLTi, earns revenue from running professional development programmes for wealth managers. Wilmington has an international presence, with centres in the UK, Europe and Asia Pacific and consistent investment in technology maintains the Group's competitive positioning. The AMT training business was sold in December 2021.

The North America business, FRA, is predominantly events based. It serves the US Healthcare and Health insurance markets and, to a lesser extent, the US financial and legal service communities. The prime brand is the RISE series of events that addresses the Medicare and Medicaid markets and is attended by health plans, physician groups and solution partners. The flagship event is RISE National which normally takes place in Nashville in March each year. Revenue from the US events is generated from both sponsorship and delegate sales.

The UK and Ireland business predominantly provides training for accountants in practice and in business and individuals involved in the legal system, including lawyers. It runs a mix of face-to-face, online and blended learning for these communities. It provides training at various levels including providing continuing professional development for existing qualified accountants and, in the case of the legal profession, helping them train their clients for interaction with the legal system. Additionally, it provides technical support to accountancy firms which enables them to keep abreast of technical developments and changes to regulation, as well as supporting them to promote the services they then offer to their clients. The small Irish reseller of training services (LaTouche) was sold in April 2022.

Mercia (accountancy) and Bond Solon (legal) are predominantly UK and Ireland based, reflecting the country specific laws and accounting standards that govern their profession. Revenue in the unit is earned through clients subscribing for ongoing training support and other related activities over a period of time (usually twelve months), with the rest through one off course attendance fees. Courses are typically single or half day events, and content is a mix of owned and third-party intellectual property. Courses are delivered either by in-house experts or a network of independent tutors who are paid per course that they deliver.

The Law for Non-Lawyers market is strong, with good ongoing demand for existing products as well as successful launches of new training courses. Growth in the Accountancy market remains partially suppressed due to the impact of Covid-19, which compounded the challenges caused by continued consolidation of smaller firms, some Brexit uncertainty and a relatively stable backdrop in terms of tax legislation and accounting standards. Whilst not yet reaching its pre-Covid size, the Accountancy market has returned to growth and demand is expected to benefit from upcoming legislative change in the UK.

Trading performance

Training & Education revenues grew 9%, and 18% on an organic basis. All five of the businesses within the division grew organically and recurring subscription revenues grew 9%.

ICA revenues were up 3% as strong growth in the UK was offset by a drop in Singapore revenues after the exceptional growth there in FY21, but FY22 Singapore revenues were still nearly double their FY20 level. CLTi grew 4% and is focussed on increasing business in new territories in FY23.

Bond Solon saw double-digit growth in FY22, driven by a strong increase in demand across the year. Mercia revenues grew 8% in the year, and despite still being short of its pre-Covid position the business is on track to recover the remaining shortfall.

In the US, FRA more than doubled revenues as events returned to being face-to-face. Organic growth of 122% brought the business back to larger revenues than the pre-Covid period (FY19) as demand from sponsors offset slightly lower delegate attendance than FY19. Overall divisional operating profit increased strongly by 31%, mainly due to increased revenues and tight cost management. As a result, the operating profit margin rose to 26% from 22% in FY21.

⁵ ICA and CLTi.

⁶ Mercia and Bond Solon.

⁷ FRA.

⁸ Discontinued refers to disposed or closed businesses or product lines.

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Key performance indicators/operational measures

At a Group level, we have five key financial and operational measures

Throughout the Annual Report there is reference to the metrics set out below, which serve as alternative performance measures. Where adjusted measures are used in the report they are clearly presented and specifically used to provide a balanced view of the Group and its performance. The Directors believe that these measures, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional relevant information and enable an alternative comparison of performance over time.

Definition and purpose		Result
KPI		
1	<p>Organic revenue growth</p> <p>Calculated by adjusting the year-on-year revenue change to exclude the impact of foreign currency exchange rate fluctuation and the impact of changes in the portfolio from acquisitions and disposals. This measure is used as it gives a comparable assessment of the underlying growth of the business and of its sustainability. Monitoring organic revenue growth also allows the Board to assess whether action is needed to control other aspects of the Group's financial performance such as managing the cost base. Please refer to the Review of operations on pages 7 and 8 for a reconciliation.</p>	<p>Increased by 13% (2021: 3%) driven by successful digitalisation programme, new product investment and the return to face-to-face events. Growth excluding events was 5% and reflects increased demand for our core offering in all product areas. We have also delivered 5% growth in recurring revenue, which now represents 37% of total revenue, driven by recent investments in sales and marketing capabilities.</p>
2	<p>Adjusted profit before tax ("adjusted PBT")</p> <p>Calculated as profit before tax, amortisation of intangible assets excluding computer software, impairments, other income (when it is material or of a significant nature), and other adjusting items. This measure is considered to reflect underlying profitability of the Group before adjusting items and is a key metric used to determine management incentives, including within the Directors' bonus targets as set out in the Remuneration report. The Group policy on adjusting items and the calculation of adjusted PBT are set out respectively in notes 1 and 2 of the financial statements. Amortisation of intangible assets excluding computer software are excluded from adjusted PBT as they relates to historical acquisition activity rather than the organic trading performance of the business. This approach provides management with comparable information for day-to-day decision making.</p>	<p>Increased by 38% to £20.7m (2021: £15.0m) reflecting increased revenues, a focus on operational efficiency and cost management, and continuing efficiencies of the digital-first model.</p>
3	<p>Adjusted basic earnings per share</p> <p>This key measure indicates the underlying profit attributable to individual shareholders. It measures not only trading performance, but also the impact of treasury management, capital structure and bank and interest charges, as well as the efficient structuring of the Group to appropriately manage tax. Our business and financial strategies are aligned to delivering consistent growth in adjusted earnings per share and our incentive programmes are designed to support this strategy. Please refer to note 9 for a reconciliation.</p>	<p>Increased by 37% to 18.66p per share (2021: 13.62p) reflecting the increase in adjusted profit as discussed above. The underlying tax rate and number of ordinary shares were essentially unchanged.</p>
4	<p>Cash conversion</p> <p>Cash conversion represents the operating cash flow for the year as a percentage of adjusted operating profit before interest and amortisation. This measure is used as an indicator of successful stewardship of cash resources and corroboration of the quality of operating profits compared to the associated cash flow. Please refer to note 30 for a reconciliation.</p>	<p>114% (2021: 104%) owing to a strong year of converting profits into cash through effective operational efficiency.</p>
5	<p>Consistent and sustainable revenue streams</p> <p>The Group continues to focus on a portfolio of assets based in key professional markets, facilitated by excellence in technology and data and dynamic sales and marketing. The development of a dynamic product portfolio has driven the Group's ambition to secure sustainable revenue streams, with multi-year and subscription packages sold for many revenue streams, including:</p> <ul style="list-style-type: none"> • data, information, intelligence and solution sales; • professional education, training, events and services; • professional accreditation and assessment; and • large, industry-leading annual events. 	<p>Subscription and membership revenue was 37% (2021: 38%) of Group revenue with the balance a mixture of revenue from annual events and revenue from customers who have a history of repeat purchase although not necessarily supported by formal multi-year contracts. Renewal rates from subscription and membership revenue was 92% (2021: 92%), reflecting Wilmington's robust product development process and high customer satisfaction.</p>

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Stakeholder engagement and non-financial information statement

Section 172 of the Companies Act 2006

The 2018 UK Corporate Governance Code highlights the importance of Section 172 of the Companies Act 2006, requiring Directors to act in a way that promotes the success of the Company for the benefit of shareholders whilst simultaneously showing regard for the interest of its other stakeholders.

The Board follows a robust decision making process, which is designed to ensure that any decisions made reflect Wilmington's responsible business culture. The key reference points for decision making by the Board are: the impact on the Group's overall strategic objectives; consideration of its principal risks and uncertainties; and positive alignment with the core values underpinning the Group's sustainability strategy. At the heart of all of these factors is consideration of the Group's stakeholders, because it is these groups who have the greatest potential to create positive outcomes for the Group as it strives to create long term value. Further details on this decision making process can be found in the Corporate governance report on pages 36 to 40.

Stakeholder	Engagement
Our people The delivery of the Group's strategic objectives is dependent on our ability to attract, develop and retain a highly skilled and motivated workforce. We strive to create an inclusive culture in which diversity of thought, skills and perspectives helps us thrive. We are committed to strong recognition and reward strategies that fairly reflect the contributions our people make to help us progress.	Our employee engagement strategy focusses on providing our people with platforms to actively participate in the Group's decision making processes, and we are also committed to transparency around the issues that matter most to them: <ul style="list-style-type: none"> • Employee engagement survey results directly inform the development of the Group People strategy • Global and brand level town halls provide a forum for leaders across the business to engage with all employees • Our internal intranet acts as a central policy and guidance portal, and also a communication platform for our employees to share experiences and network across the Group. • We are developing 'Wilmington Communities': networks of people which stretch across diversity dimensions that will actively inform our work to create an inclusive workplace. • Our performance development review process encourages honest and open conversations about personal development. • We are an accredited Living Wage employer and are committed to a fair and transparent reward and recognition structure. <p><i>Read more: p. 13-14</i></p>
Shareholders Support from our shareholders underpins the success of our strategy. We aim to provide fair, balanced, and understandable information to shareholders to clearly demonstrate strategic progress.	We maintain a strong reporting process with regular digital content updates for shareholders via our website throughout the year. Our interim and year end reporting periods conclude with analyst briefing sessions and investor roadshows, and our Annual General Meeting. The Executive Directors maintain close contact with shareholders and maintain strong relationships to facilitate one-to-one engagements and conference calls. <p><i>Read more: p. 40</i></p>
Customers Our customer-driven product management culture is key to our success and ensuring that we truly understand the needs of our customers is critical to the viability of our future plans.	We strive to put our customers at the heart of our product management process, and this means working hard to find solutions to meet their needs. Our key communication channels come in the form of Customer Advisory Groups ('CAGs'), feedback surveys and maintaining strong relationships with key account contacts. Central to our ambition of delivering excellent customer experience is the progression of our accessibility strategy, ensuring anyone who needs our products and services can access them effectively. <p><i>Read more: p. 15</i></p>
Suppliers Strong relationships with our suppliers are crucial to ensure that the services we receive support the delivery of our own products effectively. We are also committed to ensuring mutually high	We maintain strong and accessible communication channels with suppliers, to promote good relationships and to set clear expectations of the products and services we require. Our supplier code of conduct clearly communicates to all our suppliers the high standards of responsible business practice we expect from them.

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standards of responsible business from our suppliers.	<i>Read more: p. 16</i>
The environment and communities we operate within We have a responsibility to have a positive impact on the environment and the communities we operate within. This responsibility plays an important part in protecting the wellbeing of our people, and in contributing to the future health of our planet for the benefit of all our stakeholders.	We are committed to carbon emission reductions, demonstrated by the reduction in absolute emissions since our baseline year, and our net-zero targets for future progress. Our carbon neutral commitment allows us to contribute further to carbon reduction initiatives, including a certified biodiversity protection programme that facilitates long term carbon storage. Our community and charity policy encourages our employees to engage positively with the communities we work within and gives all our people the opportunity to take paid volunteering leave. <i>Read more: p. 16-18, 29-31</i>

In addition to the financial KPIs

disclosed on page 9, the Group assesses performance using a range of non-financial KPIs relevant to each brand and function. The Group also uses non-financial KPIs to assess its progress in relation to its sustainability strategy, as outlined on pages 12-18.

Non-Financial Information Statement

This index constitutes Wilmington's Non-Financial Information Statement, produced to comply with Sections 414CA and 414CB of the Companies Act 2006.

Reporting requirement	Policies, processes and standards which govern our approach	Page(s)
Environmental matters	Carbon reduction plan, environmental management policy, risk management process and approach to TCFD	16-18, 29-31
People	Conduct and compliance policies, diversity and inclusion statement of intent, employee engagement strategy and risk management process	13-14, 25-26, 36
Respect for human rights	Modern slavery statement and risk management process	25-28, 16
Social matters	Stakeholder engagement strategy and sustainability strategy	10, 12-18, 36
Anti-corruption and anti-bribery	ABC policy, risk management process and supplier code of conduct	10, 16, 22-24
Business model	Business model, KPIs and stakeholder engagement strategy	2-4, 9-11

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Sustainability report

Responsible business culture

Wilmington exists to empower its customers to do the right business in the right way. At the heart of this commitment to customers is our own ambition to embed a responsible business culture that informs the way we work. Our sustainability strategy is underpinned by four core values that, collectively, reflect this ambition.

As we successfully drive progress against our broader strategic objectives, we remain committed to making sustainable business decisions by taking an iterative approach to materiality. By continuing to listen to our key stakeholders, via the channels outlined on pages 10 and 11, we continue to refine our sustainability strategy to ensure that it drives long term value for all of them.

During 2022 we have made significant progress against the targets we set in 2021 for each pillar of our sustainability strategy, and we have also expanded the scope of our priority initiatives. Our iterative approach has allowed us to further refine the strategic objectives in each area, which is helping us to better measure progress and continue to set challenging targets for the future.

Key to this progress is our governance framework, designed to combine Board level oversight with operational expertise and strong workforce engagement.

Board oversight	Chair
Executive sponsorship	Executive Committee
Strategic lead	Group Finance and Sustainability Director
Operational taskforce	Subject matter experts, dedicated working groups and internal communities

	Core value and strategic pillar			
	Cultural positivity	Customer empowerment	Proactive assurance	Environmental responsibility
Core objective	Create an inclusive workplace that supports, empowers, develops and fairly rewards all our people.	Deliver products that are accessible, high value, up to date and move with industry trends.	Uphold high standards related to digital protection, regulatory requirements, ethics and production.	Reduce environmental impact by minimising carbon footprint and committing to responsible procurement.
Delivering stakeholder value	Fostering a positive culture will attract and retain the best talent, accelerating delivery of our strategy. Investing in our people benefits the communities we operate in by delivering exceptional employee experience.	Empowering our customers ensures our products are closely aligned to their needs. Our customer driven approach to innovation helps us stay agile in the face of change.	Responsible digitisation and ethical conduct echo our core purpose and underpin our digital-first approach delivering the best in class digital products.	Committing to environmental responsibility protects the future of our people and demonstrates to customers that we strive to deliver products with minimal environmental impact.
Meeting our 2022 targets	<ul style="list-style-type: none"> Diversity data collected for 75% of employees globally. Improved employee engagement scores against baseline year in key areas of focus. 	<ul style="list-style-type: none"> Eight week digital accessibility awareness and upskilling campaign delivered. Revised digital accessibility statements published by all brands. Clear roadmap to WCAG 2.1 AA standard developed. 	<ul style="list-style-type: none"> >98% acceptance of cyber security policy. 0 phishing incidents resulting in the loss of data. 100% of products subject to continuous pentesting. 	<ul style="list-style-type: none"> Performed Scope 3 gap analysis and set net-zero targets in line with 1.5°C ambition. Transitioned to renewable energy supplies across all occupied UK sites. Committed to carbon neutrality through verified high quality offsets.

The ongoing work to drive progress against the core objective of each pillar is discussed on pages 13 to 18.

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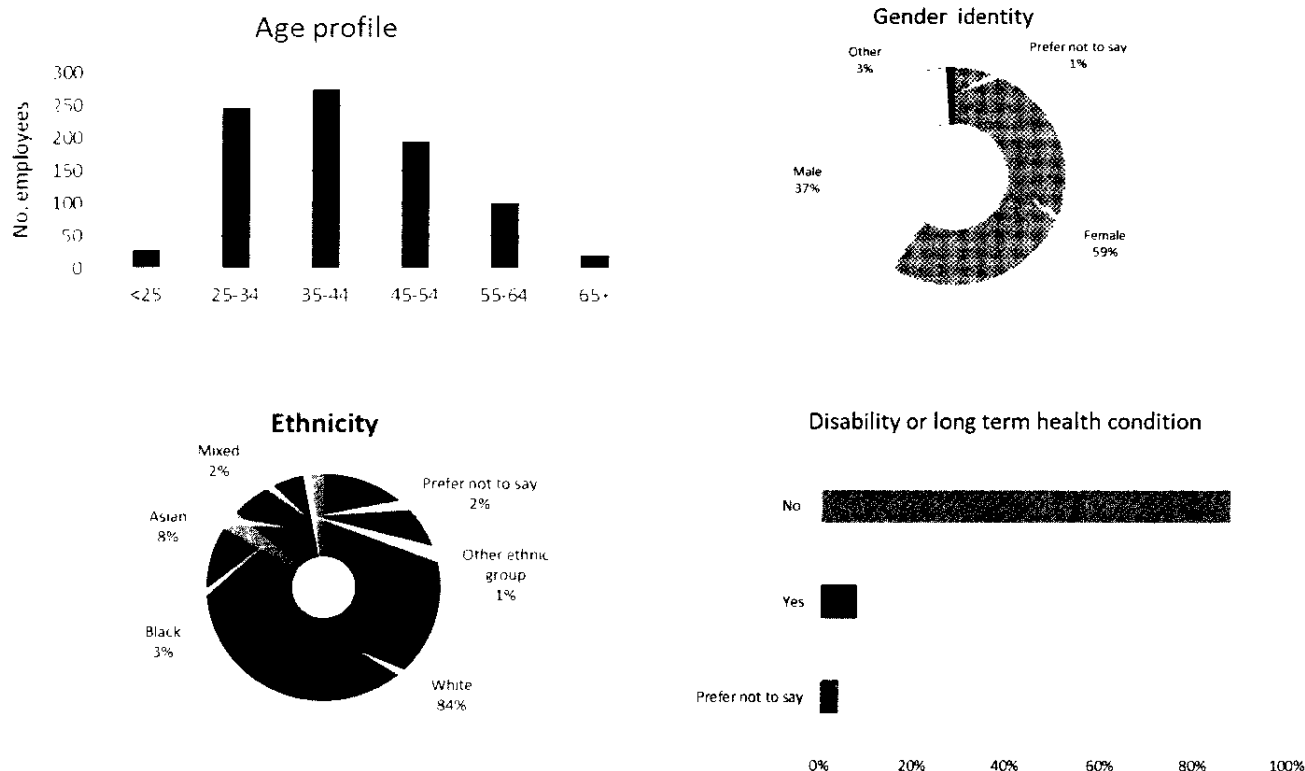
Cultural positivity

During the year we continued to establish robust initiatives that are creating an inclusive workplace to support, empower, develop and fairly reward all our people. This ambition is reflected by our clear commitment to developing our Diversity and Inclusion strategy and by our investments in resources to create a positive environment for all our people to reach their full potential at work.

Commitment to inclusivity

At the heart of our ambition to embed a culture of inclusivity at Wilmington is the work led by our Head of Diversity and Inclusion that celebrates the unique characteristics of our people. At the start of the year we set a target to start collecting richer data to help us better understand what our workforce looks like. By asking our people to disclose this data as part of our annual employee engagement survey, we were able to better understand the diversity characteristics of 75% of our global workforce, which reflects a minimum 90% response rate from those who received the survey in locations where legislation allows the collection of this information. Our data collection approach was fully compliant with the relevant regulations in each jurisdiction. By harnessing this data to measure diversity at Wilmington, we are better equipped to build a workforce that reflects the diversity of the communities we serve and work within. Further details of the gender and ethnicity balance within senior management specifically are disclosed in the Corporate Governance report on page 37.

What makes our people unique?



How are we driving progress

Internal engagement

- Every brand within our portfolio has a dedicated D&I champion who has worked with their team to localise the global strategy to make sure it is most effective for their business area.
- We established internal networks for Race and Ethnicity and Gender, to create forums for discussion and drive further insight into how we can better support groups across these diversity dimensions.
- We started work to align our talent acquisition strategy to our diversity ambitions.
- We introduced the hashtag #wearewilmingtonplc to encourage our people to share what is important to them and what makes them unique, so we can celebrate the diversity in our workforce.
- We reviewed our policies to ensure they align with our ambition to demonstrate an inclusive culture.

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Community engagement

We know the value of expertise and insight, so we are partnering with experienced communities to enhance the effectiveness of our Diversity and Inclusion strategy and to hold ourselves to account:

- We are committed members of Inclusive Employers.
- We have signed the Business in the Community (BITC) Race at Work Charter.
- We are Disability Confident committed, with level 1 achieved and an ambition to meet levels 2 and 3.
- We have integrated our diversity ambitions into our supplier code of conduct to ensure we work with suppliers who also demonstrate a commitment to inclusivity in the way that they work.

Investing in our people

Our ambition to create a positive culture is also aligned to our commitment to our customers, who trust us because we are experts in our field and help them overcome their complex business challenges in GRC. To continue to support our people to deliver excellent customer value we are therefore committed to attracting, developing and investing in talented individuals who make up our teams. We take a holistic approach to developing our people and celebrating their talent, so we continue to invest in learning, wellbeing, recognition and reward to deliver the best employee experience for our people.

Investing in...

Learning and development

Launched people leaders programme to promote internal progression and strong mentorship and support for our teams.

Delivered bespoke sales and product academies to support our Group strategy.

Launched personal career development platform with substantial upskilling resource portfolio.

Wellbeing

Expanded our network of mental health first aiders.

Created wellbeing champions network to promote a culture of balance, health and fulfilment.

Continued to offer extensive wellbeing-orientated benefits including global employee assistance programme, digital GP and healthcare support.

Introduced a community and charity policy including volunteer leave allowance for all employees.

Recognition and reward

Comprehensively reviewed our reward strategy.

Became an accredited Real Living Wage employer.

Introduced global gender pay gap reporting to inform our strategy for closing the gap.

Monitoring progress

As we continue to hold ourselves accountable to driving positive cultural change, we highly value strong engagement from our people to help us to understand what more we can do to enhance their experience at work. In FY22 93% of our workforce globally participated in our annual employee engagement survey, providing valuable feedback on the issues that matter most to them. This feedback is one of the tools we use to monitor our performance in respect of strong employee experience, in combination with building consistent output datasets that will further validate our progress.

The work we have done to improve data quality in the year is providing us with a foundation on which to develop dedicated KPIs to measure our future progress. In particular, data collected around diversity dimensions as disclosed on page 13 will allow us to demonstrate the results of the work we are doing to create a more inclusive working environment. Similarly, the investments we are making in career pathways and reward structure is providing us with data to demonstrate how our commitment to training and development is benefiting our people.

Whilst we continue to develop these KPIs, we are pleased to have met our target to maintain or improve our score against key areas of focus since the FY20 baseline year. Where we have not improved our score against the prior year, we have focussed on the drivers of this change and ensured they are addressed as we implement our people strategy. We have also committed to expanding the scope of our engagement survey in FY23, so that we can better monitor employee experience throughout the year. This will further improve accuracy of the annual outputs, by reducing the impact of short term factors that may influence a result at a specific point in time.

Statement of cultural ambition	Area of focus	FY20 score	FY21 score	FY22 score
People from all backgrounds are treated fairly at Wilmington	Diversity and Inclusion	8.1	8.4	8.3
My manager or mentor encourages and supports my development	Training and Development	7.4	7.7	7.8
Wilmington provides enough support for my mental and physical wellbeing	Health and Wellbeing	6.3	7.8	7.4

Further details of our approach to employee engagement can be found in the Section 172 statement on page 10.

Our work in this area contributes to: **SDG 3** Good health and wellbeing, **SDG 5** Gender equality and **SDG 8** Decent work and economic growth, with a focus on the below sub-indicators:

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3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing.

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Customer empowerment

We are committed to embedding a customer-led approach to product development and delivery. We want our customers to directly inform our agenda, and by creating accessible, high value and up to date products we empower them to realise maximum value from our offering.

We have continued to invest in initiatives that build a culture in which any individual involved in the product cycle is mindful of customer needs, such that they reflect those needs throughout the cycle from development to delivery. The underlying principles of this product cycle are **accessibility, innovation and agility**, and strong **customer engagement**.

Area of focus	Principal objectives	Investment in FY22
Innovation, flexibility and agility	Embed a dynamic product management approach that can respond rapidly to change whilst maintaining high quality outputs	<ul style="list-style-type: none"> Development of single technology platforms in each division Enhanced data analytic capabilities across the portfolio to provide high quality insight to customers Hosted team events to promote collaboration and innovation in digital learning. Delivered bespoke training through the Wilmington product academy Embedded a philosophy of iterative product roll-outs to produce relevant updates and stay close to change
Customer engagement	Ensure customers directly inform the new product development agenda, and facilitate strong communication channels for customer feedback	<ul style="list-style-type: none"> Customer Advisory Groups ('CAGs') and customer feedback questionnaires operational for all key product groups Enhanced communication channels to allow customers to contact the business. NPD process directly informed by customer referencing

In line with our ambition to create an inclusive culture at Wilmington, we are committed to making sure our products are accessible to all. At the heart of this ambition, and key to the ongoing success of our digital-first model, is a high standard of digital accessibility across our internal and external product portfolio. Therefore we set ourselves a target to develop a roadmap to achieve WCAG 2.1 AA standards across our digital product base. We launched this ambition with a comprehensive eight week digital accessibility campaign to raise awareness and upskill our teams.

Looking forward to FY23, the next stage of our roadmap towards our longer term target of WCAG 2.1 AA compliance includes further training initiatives to develop our specialist working groups, performing testing across our digital portfolio to identify priority actions and equipping our accessibility champion network to continue to raise awareness and keep accessibility at the forefront of the product development process.

Our accessibility agenda extends far beyond our digital assets, and is an integral part of our wider Diversity and Inclusion strategy as discussed on page 13.

2022 Digital Accessibility Campaign Highlights

- Five training and awareness sessions with subject matter experts
- Six fireside chats with industry thought leaders
- Eighty bite sized items of created and curated content
- Development of an accessibility champion network with volunteers from each brand
- Formation of three specialist working groups to take the lead on best practice implementation
- Creation of a dedicated accessibility email address and solution delivery workflow process
- Revised digital accessibility statements published by all brands

Our work in this area contributes to **SDG 10** Reduced inequalities, with focus on sub-indicator **10.2**: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

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Proactive assurance

Ethical compliance

Responsible business practice is at the heart of our strategy, and therefore we aim to instil a culture of strong ethical compliance across the portfolio. Our ethics policies are designed to provide clear and consistent guidance to our people to ensure they contribute to these high standards of ethical conduct, and are outlined for all employees in our internal policies.

One of the key elements of our core value of cultural positivity is that Wilmington reflects a safe and inclusive working environment that encourages strong employee engagement and participation by all. Management encourages this by advocating universal openness and transparency in respect of reporting non-compliance of any form, with clear guidelines provided in the Group's ABC and whistleblowing policies. As we advocate high standards of integrity internally, we echo this sentiment in respect of our external stakeholders by taking a zero-tolerance approach to any forms of unethical behaviour within our wider operations and supply chains.

During the year we:

- Added five policies to the mandatory policy acceptance process;
- Achieved >98% target for policy acceptance rate;
- Expanded the scope of content included in mandatory compliance training; and
- Integrated the requirement to demonstrate a commitment to responsible behaviour more comprehensively into our supplier onboarding process.

Responsible digitisation

Our customers rely heavily on quality data and advanced analytics provided by our Intelligence division, and on reliable and engaging delivery formats in our Training & Education division. This reliance comes with positive assurance from our teams that we take a proactive approach to uphold the highest standards of cyber security and data privacy.

Our digital assurance process is governed by skilled individuals who maintain high levels of control and compliance in this area and implement best practice across three key integrated workstreams. We are also dedicated to helping our technology experts continue to stay ahead of the ever-evolving risk of cyber security, with continuous update training and dedicated resources to enhance awareness.

We remain committed to the highest standards of compliance in this area and in the year we achieved our goals to deliver:

- >98% acceptance of cyber security, acceptable use and data protection policies*;
 - 0 phishing incidents resulting in the loss of data; and
 - 100% of internal products undergo continuous pentesting.
- *Policy acceptance data includes absent employees; therefore, 98% effectively equates to 100% of the present workforce.*

Investing in security: 2022 error management and security Hackathon

- Full-day live team event
- Hosted by international technology industry expert
- Promoted collaboration between colleagues
- Innovated around new subjects
- Problem solving workshop to bolster internal IT security control processes

Our work in this area contributes to **SDG 16 Peace, justice and strong institutions**, with focus on sub-indicator **16.6: Develop effective, accountable and transparent institutions at all levels**.

Environmental responsibility

Our commitment to environmentally responsible operations is an essential part of our contribution to creating a healthy planet for our people, our partners and our local communities to prosper. Our biggest direct impacts on the planet come from resource use and emissions from our offices, and we continue to focus on transitioning to sustainable materials and methodologies to reduce this impact.

Climate change, energy and carbon reporting

In response to the climate crisis, we also recognise the need to accelerate action to ensure that our business plays an active role in the global effort to address the impacts of climate change and the transition to a low carbon economy.

In 2022 we committed to carbon neutrality by offsetting our Scope 1,2 and controllable Scope 3 emissions, through high quality accredited carbon offset schemes focussed on biodiversity protection and innovation in renewable energy technologies.

We have set net-zero carbon targets with a 2019 baseline year, aligned to a 1.5°C trajectory, and have developed a carbon reduction plan to progress against these goals. We have set ambitious reduction targets in respect of Scope 1 and 2 emissions

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well in advance of 2050 and have worked hard to set challenging targets in respect of Scope 3 emissions despite the challenge of managing emissions from sources we do not directly control.

Our targets

Scope 1 and 2 emissions:

- Absolute¹⁶ zero by 2028

Scope 3 emissions:

- Near term: reduce by 52% from baseline by 2030
- Long term: Net zero by 2045

Our reporting on energy use and GHG emissions is in line with the Streamlined Energy and Carbon Reporting ('SECR') legislation. To reflect our commitment to monitor, report and reduce our environmental impact, we have also increased the scope of our GHG reporting to include Scope 1, 2 and 3 emissions in line with Science Based Targets initiative recommendations.

Energy use and GHG emissions have been assessed following the ISO 14064-1:2018 standard and using the 2022 emission conversion factors published by Department for Environment, Food and Rural Affairs ('Defra') and the Department for Business, Energy and Industrial Strategy ('BEIS'). The assessment follows the market-based approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used. All Group entities have been included in the assessment. Assurance over the data used to calculate emissions has been obtained from a reputable third party carbon assessment analyst. The use of employee and turnover ratios is important to reflect Wilmington's relative performance in relation to two of the measures that fluctuate in line with strategic business change. 2019 and 2021 results have been restated to reflect disposed businesses.

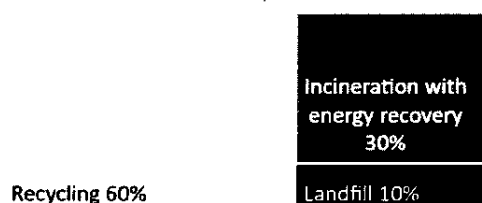
	30 June 2019 Baseline Tonnes of CO ₂ e	30 June 2021 Tonnes of CO ₂ e	30 June 2022 Tonnes of CO ₂ e	Change since baseline %	Change in the year %
Global carbon footprint assessment					
Emissions from:					
Scope 1 – direct emissions	77.45	32.21	8.14	-89.5	-74.7
Scope 2 – indirect emissions	422.14	168.74	28.80	-93.2	-82.9
Total Scope 1 and 2 emissions	499.59	200.95	36.94	-92.3	-81.6
CO ₂ employee ratio Scope 1 and 2 (tonnes of CO ₂ per employee)	0.59	0.24	0.04	-93.2	-83.3
CO ₂ turnover ratio Scope 1 and 2 (tonnes of CO ₂ per £m revenue)	3.89	1.7	0.31	-92.0	-81.8
Scope 3 – other indirect emissions	3,400.2	983.87	1,399.51	-58.8	42.2
Total (all Scope 1, 2 and 3)	3,899.79	1,184.82	1,436.45	-63.2	21.2%
Total UK energy consumption (kWh)	1,111,892	607,645	461,319	-58.5	-24.1
Total global energy consumption (kWh)	1,417,512	774,666	570,049	-59.8	-26.4

Reducing our environmental impact

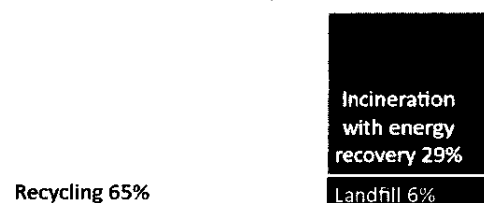
Our Group strategy to drive investment in our technological and data capabilities, has had a significant impact on our ability to work in innovative ways, that reduce our environmental impact. The capabilities we now have to operate remotely whilst maintaining strong personal connections and high product quality have significantly reduced the environmental footprint from travel by our workforce and our customers. Whilst this progress is positive, we also recognise the need to address the impact of our digital footprint on the environment through energy consumption. Similarly, despite the significant reduction since our base year, in 2022 our emissions from travel have increased compared to 2021 during which Covid-19 related restrictions significantly reduced our mobility. We are therefore working on initiatives to adapt our approach to travel in a way that allows us to reap the benefits of face-to-face interaction whilst minimising the associated carbon footprint.

We are also committed to reducing waste, and to minimising the carbon footprint associated with the disposal of waste we do produce. Along with the measures set out in our waste management policy on the Wilmington plc website, we are also working with our landlords to set future targets to ensure 0% of waste from our offices goes to landfill. Since 2021 we have reduced the proportion of our waste that goes to landfill from 10% to 6% of our total.

2021 waste disposal routes



2022 waste disposal routes



¹⁶ Nil carbon emissions achieved without associated carbon offset

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They key activities we have implemented, and continue to develop, to reduce our environmental impact since our 2019 baseline year are:

- Performed a comprehensive review of office premises to consolidate our operations and improve efficiency;
- Secured renewable tariffs for energy use at 100% of our occupied UK sites;
- Refurbished office sites to upgrade to energy efficient lighting solutions, consolidated resource use and facilitate more effective waste management;
- Rapid digitalisation of products to reduce the need for travel and improve efficiency of delivery;
- Increased the scope of employee engagement activities to raise awareness of sustainability and encourage positive collective action;
- Updated our business travel policy to encourage the use of low carbon modes of transport ; and
- Introduced environmental commitments into our supplier code of conduct.

During the year, we have made particular progress in respect of our renewable energy procurement strategy, as demonstrated by the 82.9% reduction in our Scope 2 market-based emissions. We have also made progress embedding cultural change relating to the choices our people make around business travel, in line with the updates we have made to our business travel policy. Further details of our response to climate change are outlined in our TCFD reporting index on page 31.

Our work in this area contributes to **SDG 12** Responsible consumption and production, and **SDG 13** Climate action, specifically **12.2: By 2030, achieve the sustainable management and efficient use of natural resources** and **12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse**.

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Financial review

Overview

The Group performance was resilient and strong during the year, driving organic growth in revenue and profit and reinforcing the strength of the balance sheet, reflected by the closing net cash position.

Adjusting items, measures and adjusted results

In this Financial review reference is made to adjusted results as well as the equivalent statutory measures. The Directors make use of adjusted results, which are not considered to be a substitute for or superior to IFRS measures, to provide stakeholders with additional relevant information and enable an alternative comparison of performance over time. Adjusted results exclude amortisation of intangible assets (excluding computer software), impairments, other income (when material or of a significant nature) and other adjusting items.

	2022 £'m	2021 £'m	Absolute variance		Organic variance %
			£'m	%	%
Revenue	121.0	113.0	8.0	7.1%	13.4%
Adjusted profit before tax	20.7	15.0	5.7	37.8%	42.5%
Margin %	17.1%	13.3%			

Variances described as 'organic' are calculated by adjusting the revenue change achieved year-on-year to exclude the impact of changes in foreign currency exchange rates and also to exclude the impact of changes in the portfolio from acquisitions and disposals.

Revenue

Group revenue increased 7.1% overall and 13.4% on an organic basis, the overall increase reflecting £0.4m of foreign currency downside and the impact of disposals. Full details can be found in the Review of operations on pages 7 to 8.

Operating expenses before amortisation of intangible assets (excluding computer software) and impairments

Operating expenses before amortisation of intangible assets (excluding computer software) and impairments were £99.4m (2021: £96.4m), up £3.0m or 3.1%.

Within operating expenses, staff costs marginally increased £0.5m to £55.2m (2021: £54.7m). This net increase reflects discretionary staff bonuses, £1.4m higher than the prior year, as a result of the stronger trading performance in FY22. The increases were partly offset by salary cost savings generated from a reduction in headcount post disposal of businesses. Share based payment costs increased £0.6m due to an increased number of schemes due to vest.

Non-staff costs increased by £2.5m to £44.2m from £41.7m in the prior year, reflecting the increased revenue and the anticipated return of some face-to-face delivery costs including venue hire.

Unallocated central overheads

Unallocated central overheads, representing Board costs and head office salaries, as well as other centrally incurred costs not recharged to the businesses, increased £0.2m year-on-year to £4.5m (2021: £4.3m).

Adjusted profit before tax ('adjusted PBT')

As a result of increased revenue and a continued focus on operational efficiency and cost management, adjusted profit before tax, which eliminates the impact of amortisation of intangible assets (excluding computer software), impairments, other income and other adjusting items, was up 37.8% to £20.7m (2021: £15.0m).

Adjusted profit margin (adjusted PBT expressed as a percentage of revenue) also increased to 17.1% (2021: 13.3%).

Amortisation excluding computer software, impairment charge and other income

Amortisation of intangible assets (excluding computer software) was £2.4m (2021: £3.4m). The decrease reflects certain historical assets being fully amortised part way through the prior year.

The non-cash impairment charge of £0.6m relates to the impairment of assets associated with an exercise performed to consolidate the Group's office space.

Other income represents the net gain of £16.3m from the disposal of AMT and La Touche Bond Solon Training Limited, the £1.3m gain on disposal of two buildings and their associated assets recognised as a result of the consolidation of the Group's office space and £0.8m of one-off financing activities associated with capital management.

Adjusting items within operating expenses

Adjusting items within operating expenses of £0.1m (2021: £3.0m) are those items that are one off in nature and which do not represent the ongoing trading performance of the business.

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Operating profit ('EBITA')

Operating profit was £37.0m (2021: loss £0.4m). The large increase is driven by the impact of the other income items detailed above and a non-cash impairment in 2021, along with strong revenue growth and effective cost management during the year.

Net finance costs

Net finance costs were £0.9m (2021: £1.6m), primarily related to the decrease in interest payable on bank loans and overdrafts following the repayment of the revolving credit facility.

Profit before taxation

Profit before taxation was £36.1m (2021: loss £2.0m); a reconciliation of this to adjusted profit before tax can be found in note 2.

Taxation

The tax charge for the year was £3.3m (2021: £2.5m) reflecting an effective tax rate of 9.1% (2021: negative 125.0%). The substantial decrease in the effective tax rate year-on-year reflects the nature of other operating income and adjusting items, specifically the gain on disposal of businesses in 2022 which was not subject to corporation tax, and the impairment charge in 2021 which was not deductible for tax purposes.

The underlying tax rate which ignores the tax effects of adjusting items remained essentially unchanged at 21.0% (2021: 20.5%).

Earnings per share

Adjusted basic earnings per share increased by 37.0% to 18.66p (2021: 13.62p), due to the increase in adjusted profit before tax, a broadly flat underlying tax rate and an essentially unchanged number of issued ordinary shares (see below). Basic earnings per share was 37.46p (2021: basic loss per share of 5.18p) in the prior year, reflecting the increase in profit after tax.

Dividend

A final dividend of 5.8p per share (2021: 3.9p) will be proposed at the AGM. This will give a full year dividend up 37% to 8.2p (2021: 6.0p) and dividend cover of 2.3 times (2021: 2.3 times).

If approved it will be paid on 28 November 2022 to shareholders on the register as at 28 October 2022 with an associated ex-dividend date of 27 October 2022.

Balance sheet

Non-current assets

Goodwill at 30 June 2022 was £61.1m (2021: £65.8m) which was primarily due to goodwill disposed of £6.2m for AMT. Additionally, a strengthening US Dollar led to an increase in the Sterling value of the US Dollar portion of the Group's goodwill.

Intangible assets decreased by £4.6m to £9.4m (2021: £14.0m) due to amortisation of £6.1m, partly offset by additions of £1.3m within computer software reflecting the Group's continued strategy to invest in the existing businesses to fuel organic growth. Additions reflect the continued investment in Wilmington's digital transformation.

Property, plant and equipment decreased by £2.4m to £6.9m (2021: £9.3m). The decrease in purchased property, plant and equipment was attributable to depreciation of £2.4m, £0.6m impairment mentioned above and assets transferred to held for sale of £0.3m relating to assets held by Inese (see disposal group held for sale), partially offset by additions of £0.9m.

Deferred consideration receivable

The deferred consideration receivable balance of £1.7m (2021: £1.8m) relates to the disposal of ICP in July 2018 with £1.5m recognised within non-current assets and the remaining £0.2m recognised within current assets.

Disposal group held for sale

As at 30 June 2022, the disposal group classified as held for sale relates to Wilmington Inese SL. The assets of the disposal group held for sale are £1.5m, including £0.8m of cash and cash equivalents, and liabilities of the disposal group held for sale are £1.3m.

Trade and other receivables

Trade and other receivables were £27.1m (2021: £28.7m). This decrease was mainly due to the disposal of AMT and La Touche Bond Solon Training Limited, which collectively comprised £1.4m within trade receivables in the prior year.

Current tax asset

At 30 June 2022 the Group recognised an asset relating to current tax of £1.3m (2021: £0.3m). The net asset position reflects a net repayment position.

Trade and other payables

Trade and other payables decreased by £4.7m to £50.3m (2021: £55.0m). Within this, subscriptions and deferred revenue increased by £1.3m or 4.3% to £31.4m (2021: £30.1m) and trade and other payables decreased by £6.0m to £18.9m (2021: £24.8m).

This increase in subscriptions and deferred revenue was driven mostly by the growth of subscription services in the year and a year-on-year increase in June sales. The decrease in trade and other payables was primarily driven by the unwind of payroll tax payments and better payment practices for amounts owed to suppliers.

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Provisions

Provisions were £1.5m (2021: £1.8m), relating wholly to future committed costs associated with the closed portion of the head office space.

Net cash, lease liabilities and cash flow

Net cash, which includes cash and cash equivalents, cash classified as held for sale, bank loans (excluding capitalised loan arrangement fees) and bank overdrafts, and lease liabilities, was £13.0m (2021: net debt of £28.0m). This significant net cash position is driven by a strong trading performance delivering improved profits and effective cash management as well as a significant cash inflow associated with the other income items mentioned above.

Lease liabilities decreased to £7.5m (2021: £10.7m) which represents cash payments in relation to contractual lease obligations, offset in part by £0.3m of notional interest on lease liabilities reported within net finance costs.

Cash conversion remained strong at 114% (2021: 104%).

Share capital

During the year 224,838 (2021: nil) new ordinary shares of £0.05 were issued to satisfy the Company's obligations under the SAYE Plan.

During the year the Wilmington Group plc Employee Share Ownership Trust ('ESOT') purchased 170,097 ordinary shares for the purpose of future settlement of employee share schemes. On 30 September 2021, 37,435 shares vested under its Performance Share Plan settled via the ESOT. In April 2022 3,552 shares were used to satisfy the Company's obligations under the SAYE Plan. At 30 June 2022, the ESOT held 403,782 shares (2021: 274,672).



Guy Millward
Chief Financial Officer
21 September 2022

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Risks and uncertainties facing the business

Identifying and managing our risks

Responsibility for the Group's system of risk management and internal controls ultimately lies with the Board. Risk identification, assessment and management are central to the Group's internal control environment, and risk management is recognised as an integral element of the Group's operating activities.

The Board is also responsible for determining the Group's appetite for risk, and the acceptable level of risk that can be taken on by the Group and its individual operating entities when assessing its strategic objectives ('Wilmington risk appetite'). The Board sets and clearly communicates its local risk appetite to the business leaders responsible for executing their activities in various locations across the global portfolio. The guidelines set in response to the Group's risk appetite are complemented by the Group's comprehensive portfolio of policies governing conduct, including its Anti-Bribery and Corruption ('ABC') and Modern Slavery guidelines, and in accordance with delegated authority limits. The Group's risk assessment covers a three year period, as is consistent with the period of assessment used in its strategic planning process and viability review.

The Wilmington Executive Committee coordinates and facilitates the risk assessment process on behalf of the Board. The Executive Committee reports directly to the Board using a combination of structured formal interviews, monthly operational updates, site visits, 'bottom up' reporting and registers (together, the 'risk assessment'). The risk assessment covers both external and internal factors and the potential impact and likelihood of those risks occurring. Twice per annum the Audit Committee discusses the report received from the external auditor regarding their review and audit procedures, which include, comments on their findings on internal control and risks.

Once identified, risks are reviewed and then incorporated into formal risk registers held at both a Group and entity level, which evolve to reflect any changes to identified risks and the emergence of any new risks. Where it is considered that a risk can be actively mitigated to the benefit of the business, responsibilities are assigned, and action plans are agreed.

As well as assessing ongoing risks the Executive Committee considers how the business could be affected by any emerging risks over the long term. Emerging risks are those which may develop but have a greater uncertainty attached to them. Twice per annum Managing Directors ('MDs'), and Heads of Group Functions are asked to highlight any new or emerging new risks; these are then reported to the Board and monitored on an ongoing basis.

Our risk assessment process provides a clear framework for identifying and managing risk, both at an operational and strategic level, and has been designed to be appropriate to the ever-changing environments in which we operate.

Risk management structure, roles and responsibilities

The Board regularly reviews the Group's key risks and is supported in the discharge of this responsibility by various committees, specifically the Audit Committee. The risk management roles and responsibilities of the Board, its committees and business management are set out below, and all these responsibilities have been met during the year.

	Responsibilities	Actions
Board <i>Ultimate responsibility for risk management</i>	<ul style="list-style-type: none"> Approve the Group's strategy and objectives Determine Group appetite for risk in achieving its strategic objectives Establish the Group's systems of risk management and internal control 	<ul style="list-style-type: none"> Assess managements strategic decisions in the context of the Group's risk appetite Receive regular risk updates from the businesses
Audit Committee <i>Supporting the Board</i>	<ul style="list-style-type: none"> Supports the Board by monitoring risk and reviewing the effectiveness of Group internal controls, including systems to identify, assess, manage and monitor risks 	<ul style="list-style-type: none"> Receive regular reports on the internal and external audit and other assurance activities Determine the nature and extent of the principal Group risks and assess the effectiveness of mitigations At least annually review the effectiveness of risk management and internal control systems Review the adequacy of the Group's key conduct policies
Executive Committee <i>Ongoing review and control</i>	<ul style="list-style-type: none"> Strategic leadership of the Group's operations Ensure that the Group's risk management and other policies are implemented and embedded Consider emerging risks in the context of the Group's strategic objectives Monitor the application of risk appetite and the effectiveness of risk management processes. Monitor the discharge of responsibilities by operating entities 	<ul style="list-style-type: none"> Review of risk management and assurance activities and processes Respond to notifications of changing and emerging risks within its area of business responsibility Govern monthly/quarterly finance and performance reviews Review key risks and mitigation plans and consolidate Group risks Review the three year strategic plan Review results of assurance activities Escalate key risks to the Board

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Senior Leadership Team

Ongoing risk assessment

- Maintain an effective system of risk management and internal control within their function/operating company
- Maintain strong and timely communication with the Executive Committee in respect of emerging and changing risks.
- Regularly review operational, project, functional and strategic risks
- Review mitigation plans
- Plan, execute and report on assurance activities as required by entity, region or group.

Wilmington risk appetite

The Group's approach is to minimise exposure to reputational, financial and operational risk, whilst accepting and recognising a risk/reward trade-off in the pursuit of its strategic and commercial objectives.

The provision of solutions primarily to the Governance, Risk and Compliance markets means that the integrity of the business and its brands is crucial and cannot be put at risk. Consequently, it has zero tolerance for risks relating to non-adherence to laws and regulations ('unacceptable risk'). The business, however, operates in a challenging and highly competitive marketplace that is constantly changing not just in regulation and legislation but also for new technology and process innovation.

It is therefore part of day-to-day planning to make certain financial and operational investments in pursuit of growth objectives, accepting the risk that the anticipated benefits from these investments may not always be fully realised. Its acceptance of risk is subject to ensuring that potential benefits and risks are fully understood and sensible measures to mitigate risk are established.

Emerging risk – climate change

The Group recognises that the global climate crisis is a significant driver of future socio-economic and environmental change, and accordingly presents potential risk to the Group's ability to deliver its strategic objectives.

During the 2022 risk assessment and strategic planning processes, the Group conducted a detailed review of the potential risks that may arise as a result of climate change. Following the review management concluded that impacts of climate change should continue to be high on the agenda of its strategic planning and risk assessment processes, but should not be classified as a discrete principal risk, justified by two key outcomes:

1. The review demonstrated that the Group's business model and strategy have an inherent resilience to the impacts of climate change for the following reasons:
 - Lack of direct reliance on the natural resources impacted most heavily by climate change to deliver its products;
 - Proven agility and resources to facilitate relocation of operations & events or transition to digital alternatives if an extreme climate event occurs;
 - Presence across different markets in different locations and no significant customer concentration in the sectors at most risk of severe disruption from climate change; and
 - Strong alignment of its core offering to potential transition impacts specifically in relation to new policy, regulatory change, and data and information insights and analysis.
2. The business risks associated with climate impacts identified in the review strongly aligned to those that already sit on the Group's risk register. The potential for climate change to significantly disrupt the Group's operations would manifest itself either through physical disruption to our people, customers, suppliers and their working environments or through market disruption triggered by the transition to a low carbon economy. The risks associated with these disruptions are specifically addressed by our existing principal risks, and therefore the Board gained comfort that the management of climate change risks is well aligned to, and can be effectively integrated with, the existing principal risk mitigation strategies.

Details of the specific impacts considered and how these align to our existing principal risk mitigation strategies are disclosed on pages 29 to 30.

Principal risks

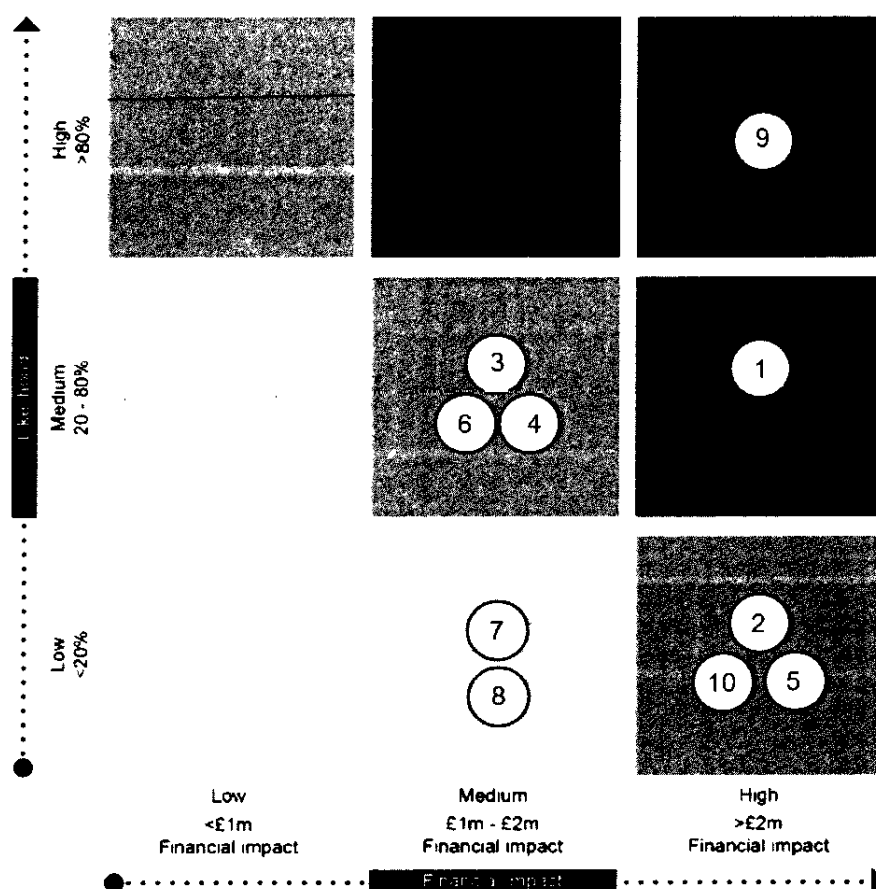
During the year the Directors have carried out an assessment of the principal risks facing the Group – including those that would threaten its business model, future performance, solvency or reputation. The ten key risks and uncertainties relating to the Group's operations, along with their potential impact and the mitigations in place, are set out below. There may be other risks and uncertainties besides those listed below which may also adversely affect the Group and its performance. More detail can be found in the Audit Committee report on pages 41 to 42.

As part of their assessment, the Directors reviewed the principal risks in the context of their potential impact on the Group's ability to achieve its strategic objectives as set out on pages 22 to 28.

The Group's sustainability strategy defines the responsible business culture advocated by the Board that directly contributes to the effective management of the Group's risks, helping to enhance the delivery of its broader strategic objectives. Therefore the four pillars of the sustainability strategy have been mapped to any principal risks for which the associated activities contribute a valuable element of the mitigative action, being: Cultural positivity ('CP'), Customer empowerment ('CE'), Environmental responsibility ('ER'), Proactive Assurance ('PA').

In summary, our principal risks in the context of the strategic goals and viability review are mapped over a three year period as follows:

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1. Market and innovation
2. Lack of changes to regulations and legislation
3. People
4. Intellectual property rights infringement
5. Failure or significant interruption to IT systems causing disruption to client service
6. Technology and speed of change
7. Remoteness of operations and globalisation
8. Dependency on key data sources
9. Major incidents
10. Reputational risk

Change to risk:

Since 2019 the Group recognised a principal risk relating to IR35 tax reforms, and the associated impact of the new legislation on the operation of the Group and its relationship with contractors providing key services. In the prior year, this risk was downgraded to be classified as low likelihood and low financial impact due to the successful implementation of processes to manage the transition. Processes and controls in place to effectively manage IR35 tax reforms have subsequently been fully integrated into the Group's broader contractor and employee management structure, and therefore the Board considered it appropriate to remove the risk from the Group's principal risks at 30 June 2022.

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KEY RISK 1:

Market and innovation

Supporting sustainability pillar(s): CE / PA

Change since 2021: Same risk

Description

The specialist markets we serve are highly competitive; these markets experience growth, decline, consolidation and disruption which change customer needs and preferences.

These factors combined mean that if we do not continually innovate and invest in our business we will not deliver the organic growth required to maintain acceptable margins and best in class returns over the long term.

Mitigation

Product management is a key area of focus for the progression of the Group's strategic objectives.

The Group has a dedicated New Product Development ('NPD') framework, managed by an Investment Committee. The objectives of the Committee are to actively encourage innovation whilst maintaining strong governance and rigour around internal investment and provide detailed post-investment appraisal.

Depending on the size of the initiatives, Board or Investment Committee approval is required to ensure that the Group's significant projects are aligned to the overall strategy.

Within the NPD framework, we have implemented a methodology which involves stripping back requirements to the 'minimum viable product' which serves the fundamental needs of our customers and then adopting 'Customer Advisory Groups' to learn what additional features would be of value to our customers. This iterative roll-out process ensures more effective and focussed product development that continually responds to customer needs.

This approach has proven highly effective in the ongoing development of our hybrid delivery model, and in respect of product enhancements that differentiate our offering and define our competitive advantage.

KEY RISK 2:

Lack of changes to regulations and legislation

Supporting sustainability pillar(s): CE / PA

Change since 2021: Same risk

Description

Wilmington's businesses operate in the GRC markets. The product portfolio is therefore heavily centred around helping customers manage the operational complexity and increased risk caused by wide-ranging laws, regulations and legislation.

Changes to the regulatory landscape offer opportunities for Wilmington to leverage its knowledge and expertise to assist clients and customers with the change.

A lack of regulatory change would reduce new opportunities for growth and demand for existing products and services.

Mitigation

We actively monitor Government regulatory bodies and relevant committees to ensure that we understand the future landscape. This enables us to position both our existing and new products and services to help better deliver to our clients and customers.

Local plans are updated as part of the internal strategic planning process to enable us to respond quickly to market information and economic trends. Continual monitoring of market conditions and market changes against our Group strategy, supported by the reforecasting and reporting in all of our businesses, is key to our ability to respond rapidly to changes in our operating environment.

The ongoing volatility of the global economy, and associated societal impacts, indicates that continued regulatory and legislative change is likely in the short to medium term. However, the Group continues to innovate and diversify its product portfolio by offering more value-added products which are less dependent on changes in regulation. A core focus of our model, and a key characteristic of our business, is our ability to leverage our strengths to quickly adapt to changing customer requirements. This agility has underpinned the agility of our business model to continue to deliver growth during periods of significant uncertainty and change.

KEY RISK 3:

People

Supporting sustainability pillar(s): CP/ ER

Change since 2021: Same risk

Description

The implementation and execution of our strategies and business plans depend heavily on our ability to recruit, motivate and retain a diverse workforce of skilled employees and management - particularly

Mitigation

We advocate positive employee experience as a core priority for all parts of our business, and we have a comprehensive People strategy to support this ambition.

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senior management, subject matter experts and those with technology and data analytics capabilities.

An inability to recruit, motivate or retain such people could adversely affect our business performance.

Failure to recruit and develop a diverse talent base for the Group that does not reflect the diversity of the customers we serve could also adversely affect our reputation and business performance.

The work of our People team covers an extensive range of issues that contribute to the development of a positive culture that is vital as we attract, retain and develop talent.

The work of the People team, with the sponsorship of the Board and the Executive Committee, delivers a wide range of services to enhance employee experience. These are underpinned by dedicated strategies that drive progress across the following key areas of focus:

- Diversity and Inclusion;
- Reward and recognition;
- Talent acquisition and development;
- Wellbeing; and
- Engagement.

The Group operates a competitive remuneration package that is enhanced by share plans for certain senior management, and also operates a Save As You Earn scheme for UK employees to further align the interests of employees and shareholders.

KEY RISK 4:

Intellectual property rights infringement

Supporting sustainability pillar(s): PA

Change since 2021: Same risk

Description

Protection of our intellectual property builds competitive advantage by strengthening barriers to entry. Our intangible resources include data, processes, technological know-how, branding and our workforce.

Intellectual property rights are integral to the Group's success.

Mitigation

We take a zero tolerance approach to any intellectual property infringement and will take all necessary action to enforce our rights and proactively identify infringements.

Wilmington's policy is to litigate against any infringement of our intellectual property rights.

Operating businesses are actively encouraged to develop and protect the know-how in local jurisdictions.

KEY RISK 5:

Failure or significant interruption to IT systems causing disruption to client service

Supporting sustainability pillar(s): PA

Change since 2021: Same risk

Description

Major failures in our IT systems may result in client service being interrupted or data being lost/corrupted causing damage to our reputation and/or a decline in revenue.

There is a risk that a cyber attack on our infrastructure by a malicious individual or group could be successful and impact critical systems used across the Group.

Mitigation

Our IT infrastructure is supported by a UK based third-party specialist, and is consistently reviewed and improved to ensure the best quality experience for both our employees and our customers. As part of the management strategy we have a shared hosting facility for our internal systems, giving us Tier 3 and ISO 27001 data centres for extra security and a common disaster recovery position.

We continued to focus on recruitment, retention and training of highly skilled internal IT and data specialists to ensure we demonstrate best practice service management.

We continue to roll out mandatory cyber security training for all staff to increase the awareness of this increasing threat. In addition, our outsourced IT infrastructure partner proactively monitors our network periphery for potential cyber-attacks. We also run education and simulations of cyber-attacks for staff to further increase awareness and reduce this risk.

Specific back-up and resilience requirements are built into our systems and we are increasingly becoming more cloud based.

Our critical infrastructure is set up so far as is reasonably practical to prevent unauthorised access and reduce the likelihood and impact of a successful attack.

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KEY RISK 6:

Technology and speed of change

Supporting sustainability pillar(s): PA

Change since 2021: Same risk

Description

Digital and technological transformation is now moving at a fast pace across the globe, disrupting value chains and transcending the traditional ways of conducting business.

Digitisation continues to drive significant change in our customers' business models, and in their appetite for products that align to these changes. Although digital and technological transformation offers Wilmington opportunities for growth and value creation, it comes with its own set of challenges and risks.

Business continuity and disaster recovery plans are in place and are assessed continually to ensure that they cover the residual risks that cannot be mitigated.

The Group also outsources the hosting of all websites improving resilience, efficiency and scalability.

Mitigation

Our NPD process described in key risk 1 enables and encourages product innovation throughout our business. This has improved our rate of innovation to deliver 'client centric' products.

Our Technology and Data teams have a significant range of valuable experience, including that gained in mature digital organisations. We actively deliver projects in an 'agile' fashion using strong product management methodologies.

The rapid digitisation of our business in response to the Covid-19 pandemic demonstrated our ability to rapidly adapt to change in this area. The lessons learnt in that period of rapid transformation continue to guide our strategies for future development and effective mitigation of the risk that we will be challenged by rapid technological change.

KEY RISK 7:

Remoteness of operations and globalisation

Supporting sustainability pillar(s): PA

Change since 2021: Same risk

Description

A key operational risk emanates from the remoteness of operations away from key management personnel, and from the increasing global spread of our businesses.

There is a currency risk from operating in a large number of countries.

Mitigation

Control is exercised locally in accordance with the Group's policy of autonomous management. We seek to employ high quality local experts.

The Executive Committee ensures that overall Group strategy is fulfilled through ongoing review of the businesses. The creation of centrally managed and divisional level oversight of finance, technology and people strategies provides a central insight into local operations and allows more central control than would be possible with geographically distributed functions.

We manage currency risk in local operations by matching revenue and costs in the same currency, closely monitoring our cash position and, where applicable, taking a low risk approach when applying treasury policy.

KEY RISK 8:

Dependency on key data sources

Supporting sustainability pillar(s): PA

Change since 2021: Same risk

Description

Wilmington generates a significant amount of revenue from the sale of, or the licensed access to, data. This data is often sourced from third parties who provide to Wilmington either exclusive or non-exclusive licences to use the data.

There could be a significant decrease in the Group's revenue if Wilmington were to lose these licences completely or in the case of exclusive arrangements if we were to lose the exclusive rights.

Mitigation

We monitor key data licence contracts across the business to ensure that all key contracts that are close to expiring are identified as early as possible.

We have close working relationships with the third parties to these contracts and aim to start negotiations to extend the contracts at an early stage to give Wilmington the best possible chance of renegotiating and extending the contracts.

KEY RISK 9:

Major incidents

Supporting sustainability pillar(s): PA / CP

Change since 2021: Same risk

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Description

We operate internationally and are exposed to major incidents and global events. These can be caused by extreme weather, natural disasters, major disease outbreak, military action, civil unrest or terrorism.

In most cases, there is relatively little businesses can do to control causes of major incidents. Major incidents have the potential to cause harm and injury to people, venues and facilities and severely interrupt business. Our face-to-face events and training business is particularly vulnerable to this type of risk.

Mitigation

The Group continues to carefully manage the proportion of its income generated from large face-to-face events to reduce exposure to this risk. It also continues to focus on a hybrid delivery model for all of its products to allow adaptation in the event of a major incident.

The Group's events function also has event-specific strategies to mitigate the risk of disruption from major incidents, including selecting well-connected locations with reliable infrastructure systems and seeking flexible agreements with venues to increase the potential to transfer or postpone events if disruption does occur.

The Covid-19 pandemic demonstrated that a major incident does have the ability to impact multiple locations over a protracted time period. However, continued innovation and investment across the Group have demonstrated that the ability to operate on a 100% digital basis provides significant mitigation to this risk.

The Group assesses the value of insurance cover for cancellations on a case by case basis, to ensure the associated cost and reliability of cover is considered economical.

KEY RISK 10

Reputational risk

Supporting sustainability pillar(s): CP / PA

Change since 2021: Same risk

Description

Much of the Group's revenue is generated by training clients in matters of Regulatory Compliance, or by hosting events that debate such topics. If the Group were to suffer a compliance breach itself then prospective clients may call into question its fitness to provide such training or host such events. The overseas entities in the Group are exposed to bribery and compliance breaches. Non-compliance with the territories legislation could cause reputational damage to the Group.

Mitigation

The Board maintains a zero-tolerance approach to non-adherence with laws and regulations. This is clearly communicated to employees and is reinforced through the Company's internal communications.

The Board receives regular updates on changes to applicable legislation and regulation and plans, both in the UK and overseas, in order to adopt them across the Group.

Individual businesses operate under specific independent brands, and this helps mitigate the potential fall-out across the Group if there was an issue in any specific business.

The Group also has a policy to retain emails for a limit of two years to prevent loss of key data.

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Climate change – impact and adaptation

As we continue to assess the impacts of climate change on our business, we have further aligned our work with the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'). Central to this work has been the analysis performed during the year to assess climate-related risks and opportunities, and to consider different outcomes depending on potential future scenarios.

We anticipate that climate change will have a wide range of impacts on all of our stakeholders because of the strong interconnection between environmental conditions and societal change. Therefore, whilst our business model exhibits an inherent resilience to the worst physical impacts of climate change, our assessment highlighted that the transition to a lower carbon economy will have direct implications for our core offering in the Governance, Risk and Compliance markets, and that the broader impacts of both physical and transition risks will affect how our people, customers and suppliers operate effectively.

Governance and responsibilities

Board oversight of the Group's response to climate change sits with the Audit Committee Chair, and ultimate responsibility for management sits with the Chief Financial Officer. Responsibility for day-to-day management sits with the Group Finance and Sustainability Director, in collaboration with the Executive Committee and Senior Leadership Team. This approach to governance is integrated with the Group's broader strategic planning process, its sustainability governance framework as outlined on page 12, and the Group's risk assessment process as described on pages 22 to 28.

Impact assessment

Our assessment identified ten potential climate change impacts that are relevant to Wilmington, and these include both physical impacts and those related to the transition to a low carbon economy. The strategic implications of each impact identified have been considered in the context of their potential to disrupt or enhance the Group's potential to deliver its broader strategic objectives, as summarised on pages 29 to 30. Where a climate-related risk aligns strongly to one of the Group's existing risks and associated mitigation strategies, it has been mapped to the relevant principal risk. Each impact identified has also been classified in relation to its potential to increase exposure to a risk or generate viable new market opportunities.

Classification	Exposure: effectiveness of risk mitigation	Potential: result of associated opportunity
Low	Prevent material impact on strategic progress	Unlikely to generate financial returns
Moderate	Reduce extent of material impact on strategic progress	Could generate immaterial financial returns
High	Failure to prevent material impact on strategic progress	Could generate material financial returns

Quantifying the impacts

The focus of our assessment has been to perform a robust qualitative analysis that can be used to effectively inform our response to climate change as an integral part of the Group's strategic planning processes. Whilst we have not quantified these impacts specifically, the nature of the most relevant issues identified aligned strongly to those assessed as part of the Group's viability assessment. As disclosed on page 32, as part of this assessment we modelled the potential financial impacts of the Group's principal risks over a three year period. Reference to this viability testing therefore provided scope to validate the reasonableness of our assumptions regarding which climate impacts could have a material impact on the financial returns of the Group in the short term. Whilst the medium and long term implications have not been quantified, the assessment and scenario planning analysis have demonstrated that the nature of the impacts would be strongly aligned over these time periods.

Climate impacts and response summary

	Climate impacts	Exposure / Potential	Strategic implications and response summary
Physical impacts	Extreme climate events disrupt office and home-working infrastructure	Risk: Low Opportunity: N/A	Inherent resilience through agile workforce and hybrid working practice. Continue to invest in technological capabilities and review resilience of office infrastructure as part of ongoing strategic planning and capital investment processes. Maintain strong employee engagement and support. Principal risk alignment: 3 – People, 5 – IT system disruption, 9 – Major incidents
	Extreme climate events disrupt face-to-face events or training and business development opportunities	Risk: Low Opportunity: N/A	Inherent resilience due to digital-first model and hybrid delivery capabilities. Continue to follow risk mitigation plan integrated into face-to-face events planning process. Continue to factor potential costs of transition to virtual alternatives into budgetary planning process. Principal risk alignment: 5 – IT system disruption, 6 – Technology, 9 – Major incidents
	Sector specific physical impacts disrupt customers in	Risk: Low Opportunity: Moderate	Relatively low customer concentration in high exposure categories. Requirement for regulatory insight and training likely to increase due to climate change triggering further reliance on our services. Continue to innovate and provide mission critical information and training to customers to protect revenue streams.

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Transition Impacts	high exposure categories		Principal risk alignment:
	Extreme climate events cause supply chain disruption	Risk: Low Opportunity: N/A	Inherent resilience through low supplier concentration and limited reliance on raw materials. Continue to assess viability risk of material suppliers in line with risk policy. Principal risk alignment: 5 – IT system disruption
	Transition to low carbon economy triggers shift in customer markets	Risk: Low Opportunity: High	Strong alignment to GRC markets focus. Maintain strong communication channels with customers and continue to innovate to meet changing needs. Integrate climate-related content and solutions into core data and training products. Successful realisation of opportunities is dependent on talent, innovation and operational effectiveness. Principal risk alignment: 1 – Market and innovation, 3 – People, 6 – Technology, 8 – Data source reliance
	Changing attitudes to business travel	Risk: Low Opportunity: N/A	Inherent resilience due to digital-first model. Maintain flexibility to offer hybrid delivery and focus on quality in digital alternatives to face-to-face products. Maintain strong communication with customers via virtual formats. Principal risk alignment: 5 – IT system disruption, 6 – Technology
	Evolution of carbon taxes	Risk: Low Opportunity: Moderate	Limited exposure due to industry focus. Maintain strong visibility of potential future cost and compliance implications as part of budgetary planning processes. Maintain focus on updating core product offering to align to associated regulatory change. Principal risk alignment: 10 – Reputation
	Policy change regarding domestic infrastructure	Risk: Low Opportunity: N/A	Exposure limited to workforce disruption caused by domestic infrastructure changes. Continue to provide office premises for effective operations, and maintain commitment to Real Living Wage. Principal risk alignment: 3 – People
Transition Impacts	Increased corporate reporting requirements	Risk: Low Opportunity: High	Limited exposure due to strong internal reporting processes. Maintain strong internal processes to ensure timely integration of policy change into training material and associated services. Principal risk alignment: 1 – Market and innovation, 2 – Regulation
	Stakeholder expectations of Wilmington's response to climate change	Risk: Low Opportunity: High	Limited exposure due to strong commitment to participation in the climate agenda. Future talent attraction and retention, and good customer engagement will be significantly enhanced by clear demonstration of our commitment to environmental responsibility. Principal risk alignment: 3 – People, 10 – Reputation

Scenario analysis

As part of our climate impacts assessment we considered the potential for the risks and opportunities identified to vary depending on different future scenarios. The differentiating factors most relevant to our business are the severity of physical impacts on our people and other stakeholders, and the speed, nature and impact of regulatory change. Therefore our approach to selecting illustrative scenarios was to ensure our analysis encompassed the most extreme cases in respect of these two variables. Accordingly, we have used three scenarios which reflect reference to three core SSPs¹ used within the IPCC² Sixth Assessment Report in addition to qualitative analysis by the IEA³ to provide insight into the indicative socio-economic conditions that would result from different levels of warming, and the related policy outcomes.

A summary of these scenarios and indicative socio-economic conditions is provided below.

Indicative assumptions	Scenario 1	Scenario 2	Scenario 3
Related SSP	1 – 1.9	1 – 2.6	5 – 8.5
Temperature rise trajectory	1.5°C	<2°C	6°C
Policy change	Significant and timely decarbonisation policy implementation.	Transition towards decarbonisation focussed policy implementation.	Business as usual, reactive change only.
Customer impact	Significant and timely adaptation. Demand for GRC solutions increases.	Transition towards adaptive measures. Demand for GRC solutions increases.	Significant disruption from physical risks diverts resource.
Innovation and adaptation	Investment facilitates streamlined transition to low carbon economy.	Heavy reliance on good adaptive technologies to facilitate transition to low carbon economy.	Limited and delayed investment in adaptive technologies.

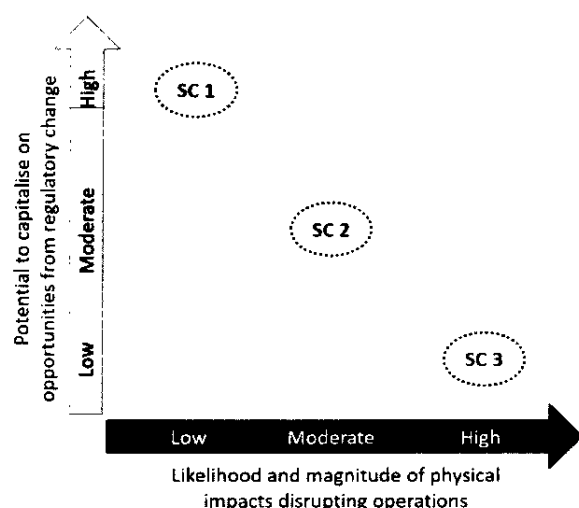
The below chart provides an illustrative summary of the implications for potential outcomes in respect of the climate change impacts most relevant to Wilmington's strategy for each of the three scenarios.

¹ Shared Socio-Economic Pathway

² Intergovernmental Panel on Climate Change

³ International Energy Agency

Strategic report – Wilmington plc 30 June 2022



Future focus

Our assessment has demonstrated that the climate-related impacts most relevant to Wilmington align strongly to the Group's principal risks that consider disruption to operational effectiveness, and our ability to lead in product innovation and the delivery of excellent customer experience. The assessment also demonstrates that the needs of our customers during the transition to a lower carbon economy will strongly align to our core offering in governance, risk and compliance. This assessment also concluded that there is no indication of material financial exposure to the climate-related risks identified.

The Board therefore consider the Group to be well positioned to meet its strategic objectives by continuing to integrate its assessment of climate change impacts into its existing risk management and strategic planning processes, ensuring it retains the agility to respond in a way that achieves the best outcomes for all its stakeholders.

Disclosures detailing the implementation of the eleven core recommendations of TCFD are included throughout the Annual Report as follows:

TCFD recommendation		Disclosure
1.1	Governance: Board oversight of climate-related risks and opportunities	Climate change impact and adaptation p. 29 -31 Responsible business p. 12 Governance report p. 36 – 40 Risk management. p. 22-23
1.2	Governance: Management of climate-related risks and opportunities Strategy: Short, medium and long term climate-related risks and opportunities	Climate change impact and adaptation p. 29 -31 Climate change impact and adaptation p. 29 -31
2.1	Strategy: Impact of climate-related risks and opportunities on businesses, strategy, and financial planning	
2.2	Strategy: Resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Climate change impact and adaptation p. 29 -31 Climate change impact and adaptation p. 29 -31
2.3		
3.1	Risk: Processes for identifying and assessing climate-related risks	Risk management p. 22-23 Climate change impact and adaptation p. 29 -31
3.2	Risk: Processes for identifying, assessing, and managing climate-related risks and their integration into overall risk management	Risk management p. 22-23 Climate change impact and adaptation p. 29 -31 Climate change - impact and adaptation p. 29 - 31
4.1	Metrics and Targets: Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	Responsible business p. 16-18
4.2	Metrics and Targets: Scope 1, 2 and 3 greenhouse gas ('GHG') emissions, and related risks	Responsible business p. 16-18
4.3	Metrics and Targets: Targets used to manage climate-related risks and opportunities and performance against targets	Responsible business p. 16-18

Strategic report – Wilmington plc 30 June 2022

Viability statement

Assessing the future prospects of the Group is integral to the Board's business planning process, and is also closely aligned to the risk management process as detailed on pages 22 to 23. The planning process includes detailed financial forecasting, regular performance analysis, robust risk management assessment, and continued monitoring of industry trends and wider economic conditions.

In the context of the challenging economic environment in which the Group operates, the Board has performed a detailed assessment to conclude on:

- The appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 30 June 2022, as disclosed in note 1 to the financial statements; and
- The long term viability of the Group

Full details of the Group's financing arrangements are set out in note 19 to the financial statements.

Viability

In accordance with Provision 31 of the 2018 Corporate Governance Code, the Directors have considered the prospects of the Group over a longer period than the twelve months required under the going concern provision. The Directors have determined that a three year period is an appropriate term over which to provide its viability statement, being consistent with that covered by the Group's strategic planning process which includes broader consideration of the Group's principal risks and uncertainties over the same period. The Directors also consider the business to be sufficiently agile to respond to volatility over a longer time frame in a way that would mitigate potential unforeseen downside.

Assessment process

The Group's viability assessment has taken account of its current position and the potential impact of the principal risks documented on pages 24 to 28. The review has focussed on the occurrence of severe but plausible scenarios in respect of every principal risk and considered the potential of these scenarios to threaten viability. The financial impact of each scenario was quantified where appropriate, and subsequently mapped to a set of mitigative actions that would be taken to manage the risk. Stress testing analysis was also performed, illustrating the ability of the Group to manage the impact of severe downside scenarios on its future financial position. The severe downside scenarios considered as part of this work were as follows:

- Aggressive recessionary impacts on revenue across the whole product portfolio
- Nil growth within businesses projected to benefit from new product development
- Extreme events disrupting the workforce, customers and suppliers
- Cancellation of flagship events and assumed non-viability of alternatives

The outcome of this assessment indicated that the Group's risk management process, control systems, and current risk appetite are sufficiently robust that a comprehensive response strategy could be actioned to protect the prospects of the Group in the event of such scenarios occurring.

On this basis the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the viability assessment period.

Internal control

The Board is responsible for the Group's system of internal control and risk management, and for reviewing the effectiveness of these systems. These systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material misstatement or loss.

In line with the Turnbull Report recommendations, the Board regularly reviews the effectiveness of the Group's systems of internal control. The Board's monitoring covers all controls, including financial, operational and compliance controls and risk management. It is based principally on reviewing reports from management to consider whether significant risks are identified, evaluated, managed and controlled.

Further details of principal risks are given on pages 24 to 28 and details of financial risks such as interest rate risk, liquidity risk and foreign currency risk are given in the financial statements in note 21.

The key features of the internal financial control system that operated throughout the period are as follows:

1) Financial reporting

The Board reviewed the Annual Report, together with the preliminary and interim results announcements. The Board also reviews and approves Trading Announcements (as appropriate).

The Board, together with the Audit Committee, considered the appropriateness of the Group's accounting policies, critical accounting estimates and key judgments. It reviewed detailed accounting papers prepared by management on areas of financial reporting judgment, as outlined in the Audit Committee report on pages 41 to 42.

Strategic report – Wilmington plc 30 June 2022

The Board together with the Audit Committee considered and is satisfied that, taken as a whole, the Annual Report is fair, balanced and understandable, and that it provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

ii) Management information systems

Effective planning, annual budgeting and monthly forecasting systems are in place, as well as a monthly review of actual results compared with forecast, budget and the prior year. The annual budget and monthly forecasts are reviewed by the Board. Risk assessment and evaluation takes place as an integral part of this process. Monthly reports on performance are provided to the Board and the Group reports results to shareholders twice a year.

Insurance cover for the Group, as well as individual operating companies, has been procured where it is considered appropriate.

iii) Acquisitions, disposals and treasury

The Board also discusses in detail the projected financial impact of proposed acquisitions and disposals, including their financing. All such proposed investments are considered by all Directors. The Board is also responsible for reviewing and approving the Group's treasury strategy, including mitigation against changes in interest rates and foreign exchange rates.

Organisations

There are well-structured financial and administrative functions at both the Group and operating company level, staffed by appropriately qualified individuals. The key functions at Group level include: Group accounting, corporate development, Group treasury, Group legal, human resources, IT and data services, company secretarial and Group taxation.

Other matters

The Group has no known issues relating to human rights or modern slavery matters. The welfare of all the Group's stakeholders, including the community, is carefully considered to ensure that such parties are not adversely affected by the Group's actions in the course of its day-to-day business. Further details of the Group's stakeholder engagement processes can be found in the Section 172 statement on pages 10 to 11.

The information forming the Strategic report on pages 1 to 33 was approved and authorised for issue by the Board and signed on its behalf on 21 September 2022.

Guy Millward
Chief Financial Officer
21 September 2022



Governance – Wilmington plc 30 June 2022

Board of Directors

Martin Morgan

Chair

Appointment to the Board

May 2018

Committee membership

A N R

Skills and experience

Martin Morgan has over 30 years of media and B2B experience, having spent a large proportion of his career at Daily Mail and General Trust plc ('DMGT'). Martin was Chief Executive of DMG Information and subsequently held the position of Chief Executive of DMGT from 2008 to 2016. He brings a wealth of experience from subsequent directorships, including the positions of Non-Executive Director of Euromoney Institutional Investor plc between 2008 and 2016 and Chair of Signal Media Limited between 2017 and 2019.

Other appointments

Martin is currently an Advisor to MMC Ventures.

Mark Milner

Chief Executive Officer

Appointment to the Board

July 2019

Committee membership

None

Skills and experience

Mark Milner joined Wilmington from the Daily Mail and General Trust plc ('DMGT') where since 2001 he held a number of senior roles. These included Chief Executive Officer of Landmark Information Group, its property information division, from 2013 to 2018. Prior to this, Mark was Chief Executive Officer of the Digital Property Group, responsible for running its consumer-focussed property portals, PrimeLocation, Findaproperty and Globrix until its merger with Zoopla in 2012. Between 2001 and 2008 Mark held a variety of positions at Associated Northcliffe Digital Ltd, becoming Managing Director of the specialist division. Whilst there he was involved in the launch of Mail Online, which subsequently became the world's most visited English language news site. Mark's early career was spent in commercial and sales roles in the newspaper industry.

Guy Millward

Chief Financial Officer and Company Secretary

Appointment to the Board

November 2020

Committee membership

None

Skills and experience

Guy Millward has extensive experience in senior finance positions at several publicly listed and privately held technology companies. His previous roles include that of CFO at Imagination Technologies Group plc, Advanced Computer Software Group plc, Quixant plc, Metapack Limited, Bighand Limited and Group Finance Director at Alterian plc, Morse plc and Kewill plc. Guy is a Fellow of the Institute of Chartered Accountants in England and Wales.

Other appointments

Guy is currently a Non-Executive Director and Chair of the Audit Committee at Eckoh plc.

Helen Sachdev

Independent Non-Executive Director

Appointment to the Board

April 2020

Committee membership

A N R

Skills and experience

Helen Sachdev is a founding Director of the B2B coaching practice WOMBA (Work, Me and the Baby). Helen brings a wealth of experience to Wilmington following a successful blue-chip executive career in retail at Sainsbury's and Tesco, in retail banking with Barclays and in residential property with Marsh & Parsons. She was a Non-Executive Director of Communisis plc from June 2018 until its acquisition in December 2018, and a Non-Executive Director of McKay Securities plc until May 2022. She is an accredited Ashridge coach and a Fellow of the Chartered Institute of Management Accountants.

Governance – Wilmington plc 30 June 2022

Other appointments

Helen is a Non-Executive Director and Chair of the Loughborough Building Society and a Non-Executive Director and Chair of PPL PRS Limited.

Paul Dollman

Independent Non-Executive Director

Appointment to the Board

September 2015

Committee membership

A N R

Skills and experience

Paul Dollman is a Chartered Accountant and enjoyed a successful career in finance as the Group Finance Director of John Menzies plc. He was also a Non-Executive Director of Air Partner plc, an aviation services business, where he was the Audit Committee Chair until April 2022. Paul is the Senior Independent Director ('SID').

Other appointments

Paul is the Audit Committee Chair of Verastar, a private equity owned business which provides essential business services (telecoms, water and energy and insurance) to the small business market. He is also a member of the Competition Appeals Tribunal.

William Macpherson

Independent Non-Executive Director

Appointment to the Board

February 2021

Committee membership

A N R

Skills and experience

William Macpherson brings a wealth of experience to Wilmington following a successful executive career as CEO of a number of professional education and skills development organisations. He was CEO of QA between 2008 and 2019 during which time the company achieved very significant growth. Prior to that he was CEO of Kaplan International, The Financial Training Company and Wolters Kluwer Professional Training. William is the Director responsible for worker representation at Wilmington.

Other appointments

William is a Non-Executive Director and Chair of Learning Curve Group Limited, Chair of Hatcham College Academy and a Non-Executive Director of the London Film School.

Committee key

A Audit Committee

N Nomination Committee

R Remuneration Committee

C Committee Chair

Governance – Wilmington plc 30 June 2022

Corporate governance report

Demonstrating good governance

Chair's introduction

Responsibility for good governance lies with the Board. As a Board we are committed to maintaining the highest standards of corporate governance and believe that an effective, challenging and diverse board is essential to enabling the Group to deliver its strategy and achieve long term value for its stakeholders. Further information on our strategy and business model can be found in the Strategic report on pages 3 to 4.

The Board is dedicated to setting the right tone at the top by promoting an inclusive culture that fosters innovation, ambition and curiosity whilst demonstrating the highest standards of integrity. Our robust governance structure, combined with our commitment to responsible business practice, sits at the heart of our approach to management at all levels, facilitating sustainable growth that delivers positive outcomes for all of the Group's stakeholders.

By promoting a responsible business culture we continue to demand the highest professional standards from all of our people all of the time. To reinforce that we have a comprehensive portfolio of policies accessible to all staff to support their day-to-day decision making. We have a zero tolerance approach to breaches of the conduct standards set out in these policies.

Further details of the work that underpins our approach to responsible business are set out in the Sustainability report on page 12.

Compliance with the 2018 UK Corporate Governance Code

The Group abides by the 2018 UK Corporate Governance Code published by the Financial Reporting Council ('FRC'). The Board has put in place provisions to ensure compliance with the Code such that it believes it is in compliance except for the following matter:

- i) The 2018 Code removes the small company exemption that the Company has previously taken to allow the Chair to be a member of the Audit Committee. The Board, advised by the Nomination Committee, currently believe it is appropriate that the Chair remains a member of the Audit Committee given the size of Wilmington plc and his experience. This decision will be assessed annually.

Stakeholder engagement (Section 172 of the Companies Act 2006)

The Board has always considered the potential impact of the Group's activities on its various stakeholders. The key stakeholders of the Group are set out in the Strategic report on page 10, which also includes information about how the Company engages with them and how the Directors, supported by the wider business, show regard for the matters set out under Section 172 of the Companies Act 2006. The Board believes that the Company can only be successful when the interests of these stakeholders are considered, and reflected accordingly in the Company's decision making processes and strategic objectives.

The Board regards it as important to maintain an active dialogue with our shareholders. Further details regarding engagement with shareholders are set out on pages 10 to 11. The Board receives regular reports from the Executives, the Chair and the advisors on feedback from shareholder meetings.

Composition and independence

The composition of the Board remained consistent during the year. The Board reviews Non-Executive Director independence on an annual basis and takes into account the individual's professional experience, their behaviour at Board meetings and their contribution to unbiased and independent debate. All of the Non-Executive Directors are considered by the Board to be independent. The Chair was considered independent on appointment.

The Board consisted of a majority of Independent Non-Executive Directors throughout the year. Biographical details of all the current Directors are set out on pages 34 to 35.

Chair

Board: Chair, two Executive Directors and three Non-Executive Directors

Audit Committee

Nomination Committee

Chief Executive Officer

Remuneration Committee

Executive Committee: Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief People Officer

Business/Divisional operating boards

Diversity

The Board believes that an inclusive culture will enhance diversity within our business, which in turn is a key factor driving the Group's success. Our vision is for Wilmington to be a company with rich diversity, experiences, knowledge and perspectives, which powers our innovation and creativity to help our customers to do the right business in the right way. During the year our Diversity and Inclusion working group has implemented a wide range of initiatives that are driving progress towards this vision.

At the start of the year we made a commitment to ensuring that Wilmington has a robust data collection and analysis process in place to facilitate more comprehensive reporting on indicators of diversity within our workforce. By asking our employees to share their diversity data, we are building a rich picture of the characteristics that make our people unique, and this in turn is helping us to

Governance – Wilmington plc 30 June 2022

measure progress against our ambition to create a truly inclusive working environment. The data we have collected to better understand what makes our people unique is set out alongside details of the progress made against our Diversity and Inclusion strategy in the Sustainability report on page 13.

Length of tenure of Directors (years)

Number of complete years of service as a Director at 1 July 2022:

Martin Morgan	4
Mark Milner	3
Guy Millward	1
Helen Sachdev	2
Paul Dollman	6
William Macpherson	1

Balance of Directors

Chair	17%
Executive	33%
Independent Non-Executive	50%

Senior Leadership composition

The table below outlines the gender identity and ethnicity as voluntarily disclosed by the Directors and the Senior Leadership Team, including the Executive Committee. The diversity characteristics of the wider workforce and further information about the work we are doing to increase diversity at all levels across the Group are disclosed in the Sustainability report on pages 13 - 14.

Gender	Directors				Senior Leadership Team			
	Female	Male	Other ¹	Prefer not to say	Female	Male	Other	Prefer not to say
2022	17%	83%	0%	0%	29%	57%	14%	0%

Ethnicity	Directors				Senior Leadership Team			
	White	Asian/Black/Mixed/Multiple	Other	Prefer not to say	White	Asian/Black/Mixed/Multiple	Other	Prefer not to say
2022	100%	0%	0%	0%	79%	7%	14%	0%

The Directors

As at the date of this report the Directors of the Company are:

Chair

Martin Morgan

Executive Directors

Mark Milner

Guy Millward

Independent Non-Executive

Paul Dollman (Senior Independent Director)

Helen Sachdev

William Macpherson

Leadership

The Board

The Company is controlled through the Board of Directors which, at 30 June 2022, comprised a Chair, two Executives and three Non-Executive Directors. Short biographies of each Director are set out on pages 34 to 35. The Board focusses on the formulation of strategy, governance and the establishment of policies, stewardship of resources and review of business performance.

The Board may exercise all the powers of the Company, subject to the Company's articles of association (the 'Articles'), the Companies Act 2006 and any directions given by the shareholders by special resolution. The Articles may be amended by a special resolution of the Company's shareholders.

The Board meets as often as necessary to discharge its duties effectively. In the financial year ended 30 June 2022, eight main Board meetings were scheduled and the Directors' attendance record is set out on page 39.

¹ Other includes individuals based in territories where we were unable to collect data due to relevant local legislative factors.

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The Board has three formally constituted Committees, the Audit Committee, the Remuneration Committee and the Nomination Committee, each of which operates with defined terms of reference. The terms of reference of the three Committees are available on the Company's website, www.wilmingtonplc.com. The Audit Committee met three times during the year, the Nomination Committee met once, and the Remuneration Committee met three times.

There is an Executive Committee that is responsible for the day-to-day management of the Company's business within a framework of delegated responsibilities. It is chaired by the Chief Executive Officer and includes the Chief Financial Officer, Chief Operating Officer and Chief People Officer.

Chair and Chief Executive Officer

The roles of the Chair and the Chief Executive Officer are held by separate individuals and the Board has clearly defined their responsibilities.

The Chair is primarily responsible for the effective working of the Board, ensuring that each Director, including the Non-Executive Directors, is able to make an effective contribution and provide constructive comments on the business. The Chief Executive Officer has responsibility for all operational matters which includes the implementation of Group strategy and policies approved by the Board.

Non-Executive Directors

All the Non-Executive Directors are independent of the Company's executive management and free from any business or other relationship that could materially interfere with the exercise of their independent judgment. The Chair was considered independent on appointment. The Non-Executive Directors are responsible for bringing independent and objective judgment and scrutiny of all matters before the Board and its Committees, using their substantial and wide-ranging experience.

The terms and conditions of appointment of Non-Executive Directors are available for inspection at the Company's registered office during normal business hours and at the Annual General Meeting.

Senior Independent Director

Paul Dollman is the Senior Independent Director ('SID'). His role as SID includes:

- being available to shareholders if they have concerns which contact through the Chair, Chief Executive Officer or Chief Financial Officer has failed to resolve (there were no requests from shareholders to meet the SID during the year); and
- meeting with the other Non-Executive Directors on the Board once a year to assess the Chair's performance, taking into account the views of the Executive Directors.

Company Secretary

Guy Millward is the Company Secretary in addition to his role as an Executive Director. In his role as Company Secretary, he supports the Board in its operation and ensures that board processes are followed and good corporate governance standards are maintained. All Directors have access to the advice and services of the Company Secretary. The Board recognises the potential conflict in combining the roles of Chief Financial Officer and Company Secretary, but believes it is appropriate for a Group of Wilmington's size given the other support available to the Directors.

Effectiveness

Meetings

The Board has a formal schedule of matters specifically reserved to it for decision which it reviews periodically. This schedule includes approval of acquisitions, disposals and items of major capital expenditure. The Board also reviews the Group's risk register, wider risk assessment and viability review. At each Board meeting the Chief Executive Officer and Chief Financial Officer provide a review of the business and its performance, together with strategic issues arising. The Non-Executive Directors may meet separately from the Executive Directors usually either before or after Board meetings, to discuss relevant matters. In the year the range of subjects discussed by the Board included:

- the Group's financial results and key business;
- progress on the ongoing strategic reviews;
- the Group's debt and capital structure including the arrangements for sufficient debt facilities;
- dividend policy;
- regulatory and governance issues;
- the development of the Group's people including a quarterly talent review;
- the Group's risk register and its response to TCFD recommendations; and
- insurance policy and cover.

In addition to the eight main meetings described above, the Board has two strategy meetings each year at which the Group's strategic direction, viability plan and significant projects are discussed.

Where additional meetings are required between main Board meetings and a full complement of Directors cannot be achieved, a Committee of Directors considers the necessary formalities.

Governance – Wilmington plc 30 June 2022

Attendance table

	Main Board meetings attended	Main Board meetings eligible to attend
Martin Morgan (Chair)	8	8
Mark Milner (Chief Executive Officer)	8	8
Guy Millward (Chief Financial Officer)	8	8
Paul Dollman (Non-Executive)	8	8
Helen Sachdev (Non-Executive)	8	8
William Macpherson (Non-Executive)	8	8

Information flow

The Chair, together with the Company Secretary, ensures that the Directors receive clear information on all relevant matters in a timely manner. Board papers are circulated sufficiently in advance of meetings for them to be thoroughly digested to ensure clarity of informed debate. The Board papers contain the Chief Executive Officer's and the Chief Financial Officer's written reports, high level papers on each business area, key metrics and specific papers relating to agenda items. The Board papers are accompanied by a management information pack containing detailed financial and other supporting information. The Board receives updates throughout the year and occasional ad hoc papers on matters of particular relevance or importance.

Time commitment

The Board is satisfied that the Chair and each of the Non-Executive Directors committed sufficient time during the year to enable them to fulfil their duties as Directors of the Company. None of the Non-Executive Directors have any conflicts of interest.

Induction and professional development

The Chair is responsible for ensuring that induction and training are provided to each Director and for organising the induction process and regular updating and training of Board members.

Training and updates in relation to the business of the Group and the legal and regulatory responsibilities of Directors were provided throughout the year by a variety of means including presentations by executives, visits to business operations, external presentations and circulation of briefing material. Individual Directors are also expected to take responsibility for identifying their training needs and ensuring they are adequately informed about the Group and their responsibilities as a Director. The Board is confident that all its members have the knowledge, ability and experience to perform the functions required of a Director of a listed company.

Access to independent advice

Any Director who considers it necessary or appropriate may take independent, professional advice at the Company's expense. None of the Directors sought such advice in the year.

Board evaluation and performance review

Towards the end of the financial year, the Board conducted an internal annual evaluation of its own performance, of each of its sub-committees and of each individual Director. The Board considered the need for external facilitation of this process but decided it was unnecessary at this stage in its development.

The Board evaluation was led by the Chair. He conducted one-to-one interviews with each of the Directors, and then reported to the Nomination Committee where his findings were considered. The review concluded that the Board, its sub-committees and each of the Directors continued to be effective. The Board noted that its diversity did not fully reflect the position across the Group and resolved to consider this when making new appointments.

Nomination Committee

The Nomination Committee and the Board seek to maintain an appropriate balance between the Executive and Non-Executive Directors. The Nomination Committee Chair is William Macpherson. The Committee has full responsibility for reviewing the Board structure and for interviewing and nominating candidates to serve on the Board as well as reviewing senior executive development. Suitable candidates, once nominated, meet with the Chair and the Chief Executive Officer. The candidates are then put forward for consideration and appointment by the Board as a whole. The Committee has access to external professional advice at the Company's expense as and when required.

The main roles and responsibilities of the Nomination Committee are set out in written terms of reference which are available on the Company's website, www.wilmingtonplc.com/investors/corporate-governance/roles-board. Details of the Nomination Committee's activities can be found in the Nomination Committee report on page 43.

Audit Committee

The Audit Committee is composed of all the Non-Executive Directors including the Chair. The Audit Committee Chair is Paul Dollman. The Board considers that Paul has the necessary recent and relevant experience to fulfil the role.

The main roles and responsibilities of the Audit Committee are set out in written terms of reference which are available on the Company's website, www.wilmingtonplc.com/investors/corporate-governance/roles-board. Details of the Audit Committee's policies and activities can be found in the Audit Committee report on pages 41 and 42.

Remuneration Committee

The Remuneration Committee is chaired by Helen Sachdev and consists of all the Non-Executive Directors including the Chair. It is responsible for recommending to the Board the framework and policy for Executive Directors' remuneration and for setting the remuneration of the Chair, Executive Directors and senior management. Given the small size of the Board, the Committee recognises the potential for conflicts of interest, and has taken appropriate measures to minimise the risk. The Committee meets at Wilmington plc Annual Report and Financial Statements 2022

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least twice a year, and takes advice from the Chief Executive Officer and external advisors as appropriate. In carrying out its work, the Board itself determines the remuneration of the Non-Executive Directors. The Committee has the power to seek external advice, and to appoint consultants as and when required in respect of the remuneration of Executive Directors.

The main roles and responsibilities of the Remuneration Committee are set out in written terms of reference which are available on the Company's website, www.wilmingtonplc.com/investors/corporate-governance/roles-board. Further details of the Group's policies on remuneration and service contracts can be found in the Directors' remuneration report on pages 44 to 57.

Risk management and internal controls

The Board maintains an ongoing process for identifying, evaluating and managing significant risks faced by the Group. The Board regularly reviews this process, which has been in operation from the start of the year to the date of approval of this report. In line with the recommendations of TCFD, Board level oversight of climate-related risks and opportunities sits with the Senior Independent Director and the Chief Financial Officer. Further details on the key features of the risk management and internal controls can be found in the section on risks and uncertainties facing the business on pages 22 to 28.

Relations with shareholders

Dialogue with institutional shareholders

The Directors seek to build on a mutual understanding of objectives between the Company and its institutional shareholders by means of a programme of meetings with major shareholders, fund managers and analysts each year. The Company also makes presentations to analysts and fund managers following publication of its half year and full year results. Copies of the presentations are available on the Company's website, www.wilmingtonplc.com/investors/reports-and-presentations. The Board regularly receives updates on investor relations matters.

The Chair is available on request to attend meetings with major shareholders. Since his appointment on 1 May 2018, the Chair attended a number of such meetings. As referred to earlier, the SID is available to shareholders if they have concerns which other contacts have failed to resolve.

The Group's website includes a specific and comprehensive investor relations section containing all RNS announcements, share price information, annual documents available for download and similar materials.

Constructive use of the Annual General Meeting

The Annual General Meeting will be held on 23 November 2022 and a separate notice convening the meeting is being sent out with this Annual Report and financial statements. Details of resolutions to be proposed and an explanation of the items of special business can be found in the circular that accompanies the notice convening the meeting. Separate votes are held for each proposed resolution.

All Directors attend the Annual General Meeting, at which they have the opportunity to meet with shareholders. After the formal business has been concluded, the Chair welcomes questions from shareholders.

Substantial shareholdings

As at 31 August 2022, the Company is aware of the following interests amounting to 3.0% or more in the Company's issued ordinary share capital:

	Number of ordinary shares	%
Aberforth Partners LLP	14,866,652	16.93%
Chelverton Asset Management	6,700,000	7.63%
Gresham House Asset Management Limited	6,333,480	7.21%
The Wellcome Trust Limited	5,682,400	6.47%
Burgundy Asset Management Ltd.	4,542,132	5.17%
Artemis Investment Management LLP	4,496,240	5.12%
FIL Limited	4,391,533	5.00%
Ameriprise Financial, Inc.	4,135,755	4.71%
Odyssean Investment Trust plc	4,000,000	4.55%
NFU Mutual Insurance Society Limited	2,686,485	3.06%

By order of the Board and signed on its behalf by:

Martin Morgan

Chair

21 September 2022

Governance – Wilmington plc 30 June 2022

Audit Committee report

Supporting integrity and compliance

The Committee held three meetings in the year ended 30 June 2022 and members' attendance at meetings is set out below:

	Committee meetings attended	Committee meetings eligible to attend
Paul Dollman (Chair)	3	3
Martin Morgan	3	3
Helen Sachdev	3	3
William Macpherson	3	3

Dear Shareholder

I am pleased to present this year's Audit Committee report. The Committee supports the Board in fulfilling its responsibilities in respect of monitoring the integrity of the Group's reporting process and adherence to the Group's accounting policies and procedures, as well as ensuring that risks are carefully identified and assessed and that sound systems of risk management and internal control are implemented.

Committee membership and meetings

The Audit Committee (the 'Committee') was in place throughout the financial year and is chaired by Paul Dollman. The Board considers that Paul has the appropriate financial expertise, as required by Principle C3.1 of the UK Corporate Governance Code (the 'UK Code'), as he is a Chartered Accountant, has held executive roles in financial positions in other companies, including being Group Finance Director of a FTSE 250 company, and chairs another company's audit committee.

The UK Code states that the Company Chair should not be a member of the Audit Committee. However, the Committee, in conjunction with the Board, believes that given the size of Wilmington plc and Martin Morgan's extensive, relevant experience that it is appropriate that he remain a member. This decision will be assessed annually.

The Committee meets at least twice during the year and as and when required. Representatives of the external auditor attend each meeting along with the Chief Executive Officer, the Chief Financial Officer, the Group Financial Controller and the Director of Group Finance, unless there is a conflict of interest. Other relevant people from the business are also invited to attend certain meetings or parts of meetings to provide a deeper level of insight into certain key issues and developments. Once a year, the Committee meets separately with the external auditor and with management without the other being present.

Key activities

The key activities of the Audit Committee are as follows:

Financial reporting

- Monitoring the integrity of the annual and interim financial statements, the accompanying reports to shareholders and corporate governance statements including any significant financial reporting judgments contained in them.
- Reporting to the Board the Company's assessment of any new or amended accounting standards.
- Providing advice to the Board on whether the Annual Report and financial statements, when taken as a whole, is fair, balanced and understandable and provides all the necessary information for shareholders to assess the Company's performance, business model and strategy.

Risk management and internal controls

- In conjunction with the Board reviewing and monitoring the effectiveness of the Group's internal control and risk management systems, including reviewing the process for identifying, assessing and reporting all key risks. See the risks and uncertainties facing the business on pages 22 to 28.
- To oversee the Group's whistleblowing provisions, Modern Slavery and ABC policies to ensure that they are operating effectively.

External audit

- To make recommendations to the Board in relation to the appointment and removal of the external auditor and to approve their remuneration and terms of engagement.
- To review and monitor the external auditor independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- To develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm, and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

Internal audit

- To annually assess the internal audit requirements of the Company.
- To monitor and review the effectiveness of the Internal Audit function.

Activities of the Committee in relation to the year ended 30 June 2022

- Assessed and reported to the Board on whether the Annual Report and financial statements are fair, balanced and understandable.

Governance – Wilmington plc 30 June 2022

- Reviewed and discussed with the external auditor the key accounting considerations and judgments reflected in the Group's results for the six month period ended 31 December 2021.
- Received confirmation that an Audit Quality Review of Grant Thornton's audit procedures by the Financial Reporting Council in respect of the year ended 30 June 2021 concluded that there were no key findings to report.
- Reviewed and agreed the external auditors audit plan in advance of their audit for the year ended 30 June 2022.
- Discussed the report received from the external auditor regarding their audit in respect of the year ended 30 June 2022 which included comments on their findings on internal control and a statement on their independence and objectivity.
- Considered key accounting matters and new accounting standards with particular focus on the significant areas below.
- Reviewed the Group's whistleblowing policy, ensuring that it met FCA rules and good standards of corporate governance.
- Reviewed internal audit reports.
- Reviewed, together with the Board, the risk assessment and going concern and viability review.

Key discussions in the year

The significant areas considered by the Committee and discussed with the external auditor during the year were:

Key financial and IT controls

The Committee reviewed the adequacy and appropriateness of the Group's system of controls and its effectiveness with relevant input from the Group's external auditor. The Committee has continued to monitor the Group's emerging risks in relation to technology and the suitability of its technology controls in response to this.

Goodwill and intangible asset impairment

The Committee received reports from management on the carrying value of goodwill and intangible assets. The Committee reviewed management's recommendations, which were also considered by the external auditor, including evaluation of the appropriateness of the assumptions applied in determining asset carrying values and the appropriateness of the identification of cash generating units. After review, the Committee was satisfied with the assumptions and judgments applied by management and concluded that the carrying values were appropriate and no impairments were required.

Revenue recognition

The Committee considered the inherent risk of fraud in revenue recognition as defined by auditing standards and was satisfied that there were no issues arising.

External audit

This year Grant Thornton UK LLP completed their fourth year as the Group's external auditor. Sergio Cardoso completed his third year as the external audit partner. The Audit Committee is responsible for reviewing the independence and objectivity of the external auditor and ensuring this is safeguarded notwithstanding any provision of any other services to the Group.

The Committee recognises the importance of safeguarding auditor objectivity and has taken the following steps to ensure that auditor independence is not compromised.

External auditor effectiveness

The Audit Committee carries out each year a full evaluation of the external auditor as to its complete independence from the Group and relevant officers of the Group in all material respects and that it is adequately resourced and technically capable to deliver an objective audit to shareholders. Based on this review the Audit Committee recommends to the Board each year the continuation, or removal and replacement, of the external auditor.

The external auditor's report to the Directors and the Audit Committee confirming their independence in accordance with Auditing Standards. In addition to the steps taken by the Board to safeguard auditor objectivity, the Audit Practices Board Ethical Standard 3 requires audit partner rotation every five years for listed companies.

Non-audit services

The Committee considers that certain non-audit services should be provided by the external auditor, because its existing knowledge of the business makes this the most efficient and effective way for non-audit services to be carried out. The Audit Committee gives careful consideration before appointing the auditor to provide other services. The Group regularly uses other providers to ensure that independence and full value for money are achieved. Other services are generally limited to work that is closely related to the annual audit or where the work is of such a nature that a detailed understanding of the business is necessary.

In the year the external auditor performed non-audit services totalling £15k which represents 5% of the audit fee of £300k. These services were in relation to the interim review. The Audit Committee approved the appointment of Grant Thornton on the basis that it was best placed to provide the services and there was no conflict of interest with its role as external auditor.

Internal audit

The Group operates a limited internal audit process which performs relevant reviews as part of a programme approved by the Audit Committee. The Committee considers any issues or risks arising from internal audit in order that appropriate actions can be undertaken for their satisfactory resolution.

Approved on behalf of the Audit Committee by:

Paul Dollman

Chair of the Audit Committee

21 September 2022

Governance – Wilmington plc 30 June 2022

Nomination Committee report

Maintaining a strong Board

The Committee met once during the year to 30 June 2022 and members' attendance at meetings is set out below:

	Committee meetings attended	Committee meetings eligible to attend
William Macpherson (Chair)	1	1
Paul Dollman	1	1
Helen Sachdev	1	1
Martin Morgan	1	1

Dear Shareholder

I am pleased to present the Nomination Committee report for the year ended 30 June 2022.

Committee membership and meetings

The Nomination Committee (the 'Committee') is comprised of the Company Chair and three Independent Non-Executive Directors.

Key responsibilities

The key responsibilities of the Committee are to:

- review the size, balance and constitution of the Board including the diversity and balance of skills, knowledge and experience of the Non-Executive Directors;
- consider succession planning for Directors and other senior executives;
- identify and nominate for the approval of the Board candidates to fill Board vacancies;
- review annually the time commitment required of Non-Executive Directors; and
- make recommendations for the Board, in consultation with the respective Committee Chair regarding membership of the Audit and Remuneration Committees.

Main activities of the Committee during the year and subsequent to the year end

The key matters considered at these meetings were:

i) Board composition

The Committee reviewed the composition of the Board including the range of skills, level of experience and balance between Executive and Non-Executive Directors. The Committee also reviewed the membership of the various Board Committees. The Committee concluded that the current membership of the Board and the Board Committees was appropriate for the needs of the business.

ii) Board evaluation

Details of the Board and sub-committee evaluation process undertaken in this year are included in the Governance review on page 39. As part of that process the Non-Executive Directors met without the Company Chair present to evaluate his performance. The review of the Company Chair's effectiveness was led by the SID. The review concluded that the Company Chair had been highly effective in his role.

iii) Succession planning

The Committee kept under review the succession plans for both the Executive and Non-Executive Directors and the level of senior management immediately below Board level.

iv) Other senior management representation

The Committee maintained oversight over various senior management changes that occurred across the Group over the year. Regular updates were received from the executives on the progress of the searches and the plans for dealing with reporting line changes that resulted from certain of the departures.

v) Worker representation

William Macpherson is the Director responsible for worker representation.

Approved on behalf of the Nomination Committee by:

William Macpherson

Chair of the Nomination Committee

21 September 2022

Governance – Wilmington plc 30 June 2022

Directors' remuneration report

Remuneration Committee Chair's Annual Statement

Dear Shareholder

On behalf of the Committee I am pleased to share our Directors' Remuneration report for the year to 30 June 2022. Our Directors' Remuneration report, which is subject to an advisory shareholder vote at the 2022 AGM, explains the work of the Committee, how we have implemented our Remuneration Policy (the Policy) for the year to 30 June 2022 and how we intend to apply it for the 2023 financial year.

For ease of reference, a summary of the key elements of the Policy is included on pages 47 to 48. The full Policy as approved at the 2021 AGM with 98% of all votes cast in favour, is included in the Directors' Remuneration report for the year ended 30 June 2021, which is available on the Company's website at www.wilmingtonplc.com/reports-and-presentations.

2022 remuneration in the context of our business performance and outcomes for our key stakeholders

Our aim is to always consider the wider workforce, our shareholders and other stakeholders by taking a fair, prudent and balanced approach to remuneration, in line with the Board's wider stakeholder engagement strategy as disclosed in the Section 172 statement on page 10 and 11.

As detailed in our Strategic report, we continue to deliver our strategy and our strong progress is reflected by the exceptional results we have reported. This successful delivery of our strategic objectives was underpinned by the Board's decision in June 2021 to restructure the Group's operating model into two divisions - consolidating our position in the dynamic GRC markets – and to invest further in digital and data capabilities by developing single technology platforms in each division.

The resilience of the business in response to challenging times demonstrates the Group's ability to adapt to change and continue to deliver exceptional customer service under the guidance of the strong executive team. The Group's success also reflects the ongoing motivation of our employees who continue to deliver to the highest standards in all areas of activity. During the year we have invested in an enhanced employee experience to further embed an inclusive culture and ensure our people can progress their careers at Wilmington, whilst being recognised and rewarded for their valuable contributions.

Wider workforce

We continue to engage regularly with our workforce on the issues that matter to them, particularly diversity, wellbeing and development as well as reward and recognition. Our employee engagement survey and performance review process offer the opportunity to understand how employees feel about their own reward.

During the year we carried out a comprehensive independent review against the market in respect of reward for roles in the UK, USA and France. This review informed our overall pay review process, resulting in average budgeted salary increases of 5%. We have created a Wilmington grading structure and provided additional funding in the pay review budget to address market misalignment and to ensure pay equity for like-for-like roles.

We have also reviewed the bonus arrangements for the wider workforce and created a structure where bonuses of all those who have a bonus plan reflect consistent principles including a Group performance underpin and a mix of divisional, business, team and personal objectives relevant to the role function.

We continue to go beyond our voluntary UK gender pay gap reporting by taking a global view and are pleased to report that the global gap for median hourly pay has narrowed from 29.11% in 2021 to 18.93% in 2022. The UK gap for median hourly pay has narrowed from 32.7% to 22.6% since our last report, and has narrowed by 14% since we started reporting in 2017. For the same period, UK mean hourly pay gap has narrowed by 12.7%, demonstrating that we are closing the difference in average pay between male and female colleagues over time. Since our 2021 report, the percentage of females in the UK fourth (or top) pay quartile has increased by 8.4%. We are very pleased that globally, we have achieved an important 50/50 representation of male/female colleagues in the fourth quartile.

Annual bonus and PSP awards vesting in respect of the performance period to 30 June 2022

The Committee has reviewed performance against each of the previously approved measures to determine the bonus outturn and PSP vesting in respect of the period ended 30 June 2022. Based on exceptional delivery against performance measures in the year, the Committee approved a bonus outturn equal to 125% of salary for the Executive Directors.

The Committee also reviewed the outturn of the performance metrics applied to the PSP award granted to Mark Milner in September 2019. The performance over the three-year period to 30 June 2022 was considered and the Committee approved an outturn of 40.7% in respect of this award. Guy Millward joined the Group in November 2020 so did not receive a 2019 PSP award.

The Committee reviewed the formulaic outturn of both the bonus and the PSP award, and after careful consideration concluded that these outturns were appropriate and reflected the performance of the Group in the periods to which they relate. Details of the performance measures and achievements against them in respect of the bonus and PSP awards are set out on page 52 and 53 respectively.

Governance – Wilmington plc 30 June 2022

Implementation of our Policy for the year ending 30 June 2023

Base salary and fees

Mark Milner's base salary was increased by 5% with effect from 1 July 2021 to £367,500, reflecting Mark's strong performance and contribution since he joined the business in June 2019. As set out in the Remuneration report last year, the Committee agreed that an increase of a similar amount above the average increase for the wider workforce will be made with effect from 1 July 2022. Since Mark joined the business the Group's market capitalisation has increased by over 20% from circa. £178m to 30 June 2019 to circa. £217m to 30 June 2022. As set out above the Group's repositioning and redirection, acceleration of our digitalisation programme and investment in new products over the last two years is also being reflected in our strong results and progress against our strategic goals. Taking into account Mark's performance in role and performance of the business, and the fact that his pension contribution has reduced from 10% of salary to 5% in line with the wider workforce, his base salary increased by 8% to £397,000 with effect from 1 July 2022. This increase is within the range of increases given to high performing talent who have demonstrated strong progression in role.

Guy Millward's salary was increased by 5% to £280,000 with effect from 1 July 2022, in line with the average increase for the wider workforce in the UK.

The Committee's intention is that base salary increases for the Executive Directors will revert to being in line with the wider workforce for the rest of the three-year Policy.

Pension

As disclosed in last year's Directors' Remuneration report, Mark Milner has agreed to a reduction in his pension / cash in lieu of pension so that it will be aligned with the wider workforce in the UK by the end of 2022 (5% of salary). Accordingly, Mark will receive pension equal to 10% of salary between 1 July 2022 and 31 December 2022, reducing to 5% of salary with effect from 1 January 2023. Guy Millward receives a pension / cash in lieu of pension of 5% of salary in line with the level available to the majority of the wider workforce in the UK.

Annual bonus

Each of the Executive Directors are eligible to earn a bonus of up to 125% of salary. The performance metrics weighting has been rebalanced compared to the last financial year following the introduction of an organic growth measure. Vesting will be based on adjusted PBT (42.5% of the opportunity), organic revenue growth (42.5% of the opportunity) and key strategic and ESG measures (15% of the opportunity). Details of the performance measures and achievements against them will be set out in next year's Directors' Remuneration report. 20% of the bonus earned will be deferred into shares for two years in line with the Policy.

PSP

The maximum PSP opportunity under our Policy is equal to 150% of salary. Awards in respect of the year to 30 June 2023 will be granted at a level of 125% of salary for Mark Milner and 100% of salary for Guy Millward.

The business has performed very strongly over the last year, and to reflect this Mark Milner's award opportunity has increased to 125% of salary (2022: 100%) in line with the Committee's commitment set out in last year's Directors' Remuneration report.

Vesting will be subject to performance measures based on adjusted EPS and organic revenue growth as follows:

	Adjusted EPS for the year ended 30 June 2025 (65% of award)	Organic revenue growth: compound annual growth rate over the three years ending 30 June 2025 (35% of award)	Vesting* (% maximum)
Maximum	26.8p	10.4%	100%
Threshold	22.8p	8.4%	25%

*Straight-line vesting between threshold and maximum.

Vesting will also be subject to an underpin such that average ROCE over the performance period must be at least 10%, and any awards that vest will be subject to a two year post-vesting holding period in line with the Policy.

Impact of changes on overall total compensation

The Committee is mindful of the impact of base salary increases on the value of the total package. However, the value of the total package continues to be modest against the market norm for a company of our size and complexity, and the changes outlined above move the value of total package for our Chief Executive Officer and Chief Financial Officer towards the mid-point of the market range. The majority of the package continues to be performance related, which is aligned with the interests of our shareholders. We also recognise that increasing the level of competitiveness in salaries and the PSP will require the continued delivery of performance, coupled with appropriately stretching targets for annual variable and long term compensation.

Chair fees and Non-Executive Fees

We have also taken the opportunity to review our Chair fee level. Martin Morgan joined the business in 2019 on a fee of £125,000. His fee reduced to £121,000 as all Non-Executives took a voluntary pay reduction for 3 months in 2020. Taking into account the performance of the business and Martin's contribution his base fee was increased from £128,000 to £140,000 with effect from 1 July 2022.

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A committee appointed by the Executive Directors and the Group Chair has reviewed fees for the other Non-Executive Directors. The outcome was that the base fee of £49,000 with no additional fees for chairing committees will be increased by 5%, in line with the increase for the wider workforce with effect from 1 July 2022, to £51,450.

Attendance

The Committee held three meetings in the year ended 30 June 2022 and members' attendance at meetings is set out below:

	Committee meetings attended	Committee meetings eligible to attend
Helen Sachdev (Chair)	3	3
Martin Morgan	3	3
Paul Dollman	3	3
William Macpherson	3	3

Conclusion

We remain committed to a responsible approach to executive remuneration, as I trust this Directors' Remuneration report demonstrates. We believe that the Policy operated as intended in respect of the year to 30 June 2022 and consider that the remuneration received by the Executive Directors was appropriate, taking account of the Group's performance during the year, their personal performance and the experience of shareholders and employees.

I look forward to receiving your support at our 2022 Annual General Meeting, where I will be pleased to answer any questions you may have on this report or in relation to any of the Committee's activities.

Helen Sachdev

Chair of the Remuneration Committee

21 September 2022

Governance – Wilmington plc 30 June 2022

Directors' remuneration policy

The Remuneration Policy was approved by shareholders at the 2021 AGM on 3 November 2021, and became effective from this date. The full Remuneration Policy as approved by shareholders is available in the 2021 Annual Report, found on our website at www.wilmingtonplc.com/reports-and-presentations.

We have set out a summary below of those parts of the Remuneration Policy which we consider shareholders will find most useful in the context of the Directors' reward for the year ended 30 June 2023.

When determining the Policy, the Committee considered clarity, simplicity, risk, predictability, proportionality and alignment to culture as set out in the Corporate Governance Code. Further details are set out in the 2021 Directors' Remuneration report.

Element	Financial year 2022/23 operation and opportunity summary
Base salary	<p>The Committee has reviewed base salary taking into account:</p> <ul style="list-style-type: none"> • performance of the Group and pay conditions elsewhere in the workforce; • performance of the individual; • changes in position or responsibility; and • market competitiveness. <p>The Committee considered all of these factors in concluding that Mark Milner's base salary will increase by 8% and Guy Millward's base salary will increase by 5%, effective 1 July 2022.</p>
Pension	<p>The Committee has the discretion to pay cash supplements in lieu of some or all pension contributions in appropriate circumstances.</p> <p>Mark Milner's pension contribution will reduce from 10% to 5% of salary effective 1 January 2023 to align to the level available to the wider workforce. There will be no change to Guy Millward's pensions contribution which already aligns to that available to the wider workforce.</p>
Benefits	<p>Executive Directors receive benefits in line with market practice.</p> <p>The Directors will continue to receive a car allowance, private medical insurance and income protection benefit.</p>
Bonus	<p>The maximum bonus is 125% of base salary.</p> <p>The majority of the bonus opportunity will be determined by financial measures, with stretching targets set each year reflecting the business priorities which underpin Group strategy and align to key performance indicators.</p> <p>The measures set for 2022/23 and their relative weighting are:</p> <ul style="list-style-type: none"> • Adjusted PBT - 42.5% • Organic revenue growth - 42.5% • ESG and strategic measures - 15% <p>Vesting of the maximum opportunity will apply on a sliding scale up to 100% of maximum potential for each element of the bonus based on the satisfaction of performance conditions, with no more than 50% of the potential earned for achieving a target level of performance.</p>
Performance share plan ('PSP')	<p>Awards in respect of the Company's 2022/23 financial year will be at a level not exceeding 125% of base salary.</p> <p>Awards under the PSP will be based on financial metrics with respect to at least 80% of the award, and metrics chosen will be those which the Committee considers to be the most appropriate measures of longer-term performance. Metrics chosen in respect of the 2022/23 award are:</p> <p>Earnings per share – 65%</p> <p>Compound annual organic revenue growth – 35%</p> <p>The threshold pay-out level under the PSP is 25% of the maximum award.</p> <p>There will usually be straight line vesting between threshold and maximum performance.</p>

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	The level of vesting in respect of any metric is subject to the Committee's discretion to override formulaic outturns.
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Shareholding guidelines

In-service

To further align the interests of Executive Directors with those of shareholders, we have adopted formal shareholding guidelines, in accordance with which Executive Directors must retain 50% of the after tax shares they acquire on the vesting of PSP and DBP awards until such time as a total personal shareholding equal to 200% of base salary has been achieved. Shares which are subject to the two year holding period under the PSP or which are subject to a DBP award will count towards the requirement, on a net of assumed tax basis where relevant.

Post-employment

The Committee has adopted a post-employment shareholding requirement. Shares are subject to this requirement only if they are acquired from PSP and DBP awards granted after 1 July 2021. Following employment, an Executive Director must retain:

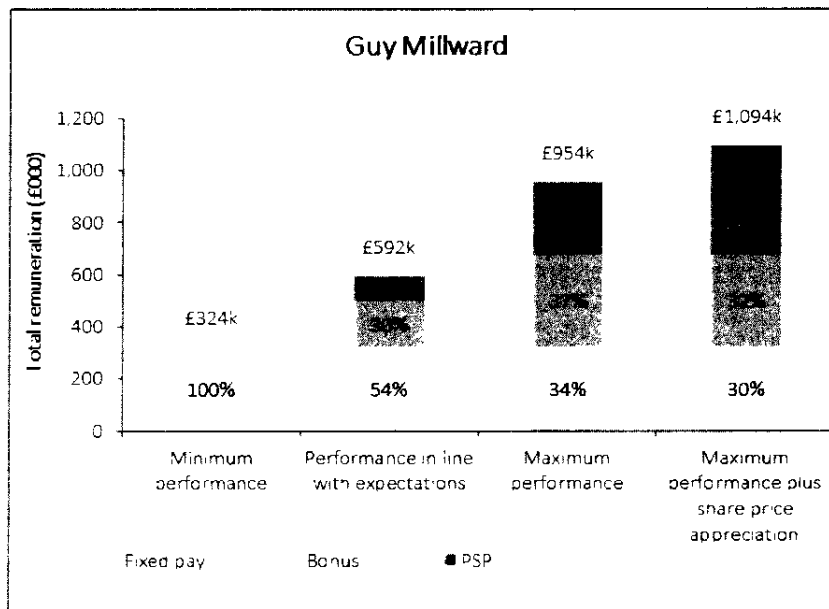
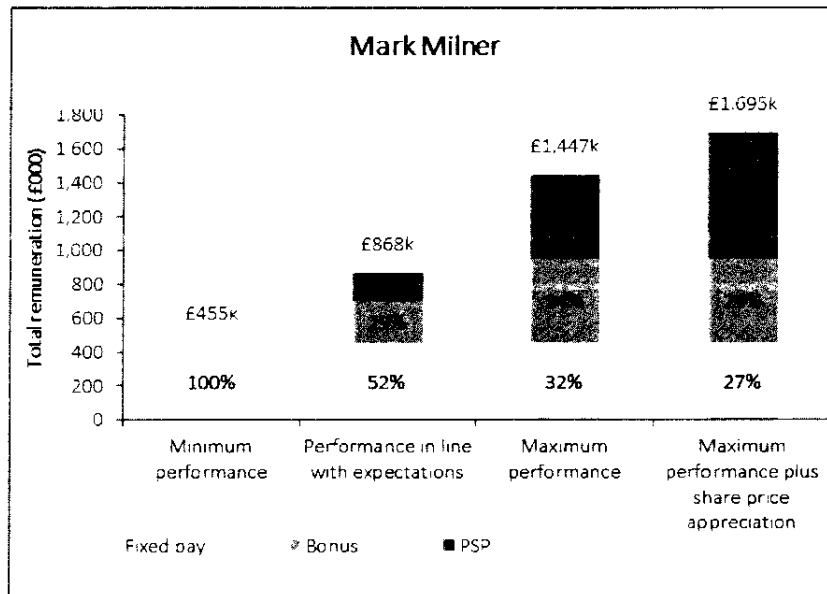
- for the first year after employment, such of their shares which are subject to the post-employment requirement as have a value for these purposes equal to 100% of salary; and
- for the second year after employment, such of those shares as have a value for these purposes equal to 50% of salary,
- or in either case and if fewer, all of those shares.

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Illustration of the application of the remuneration policy

The following charts set out for each of the Executive Directors an illustration of the application for the financial year 2022/23 of the Remuneration Policy set out above. The charts show the split of remuneration between fixed pay and variable pay in the Policy for:

- minimum remuneration receivable — salary, fees, taxable benefits and pension;
- the remuneration receivable if the Director was, in respect of any performance measures or targets, performing in line with the Company's expectation;
- maximum remuneration receivable (not allowing for any share price appreciation); and
- maximum remuneration receivable assuming a 50% increase in the Company's share price for the purposes of the PSP element.



The Committee believes an appropriate proportion of the Executive Directors' remuneration links reward to corporate and individual performance and is aligned to the Group's strategic priorities.

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In illustrating the potential reward, the following assumptions have been made:

	Basic performance	In line with expectations	Maximum performance	Maximum performance plus share price appreciation
Fixed pay	Based on salary effective as at 1 July 2022, £397,000 for Mark Milner and £280,000 for Guy Millward. A pension contribution of 10% of salary between 1 July 2022 and 31 December 2022, reducing to 5% of salary with effect from 1 January 2023 (in the case of Mark Milner) and 5% (in the case of Guy Millward) and benefits earned for the year ended 30 June 2022.			
Bonus	No bonus	50% of the maximum bonus is earned (i.e. 62.5% of salary)	125% of salary	125% of salary
PSP	No PSP vesting	33% of the PSP awards vest (i.e. 33% of salary)	In the case of Mark Milner: 125% of salary In the case of Guy Millward: 100% of salary	In the case of Mark Milner: 125% of salary plus an assumed 50% increase in the share price. In the case of Guy Millward: 100% of salary plus an assumed 50% increase in the share price.

Non-Executive Directors

	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Non-Executive Director fees and provision of relevant benefits	Fees are set at a level that reflects market conditions and is sufficient to attract individuals with appropriate knowledge and experience.	Fees are reviewed periodically and amended to reflect any change in responsibilities and time commitments. Where appropriate external advice is taken on setting market competitive fees. The Non-Executive Directors do not participate in any of the Group's share incentive plans nor do they receive any benefits or pension contributions. Non-Executive Directors may be eligible to receive benefits such as the use of secretarial support, travel costs or other benefits that may be appropriate.	Fees are based on the time commitment and responsibilities of the role. Fees are subject to an overall cap as set out in the Company's articles of association.	Not applicable.

Service Contracts and letters of appointment

Details of the Executive Directors' service contracts and Non-Executive Directors' letters of appointment are set out on below.

Details of the Executive Directors' service contracts and Non-Executive Directors' letters of appointment are set out on below.

Executive Directors	Contract commencement date	Notice period	
Mark Milner	July 2019	12 months	
Guy Millward	November 2020	12 months	
Non-Executive Directors	Date of initial appointment	Notice period	Expiry of current term
Martin Morgan	May 2018	6 months	23 November 2022
Paul Dollman	September 2015	3 months	23 November 2022
Helen Sachdev	April 2020	3 months	23 November 2022
William Macpherson	February 2021	3 months	23 November 2022

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Annual Report on remuneration

Certain details set out on pages 51 to 55 of this report have been audited by Grant Thornton UK LLP.

Introduction (unaudited information)

The following section provides details of the remuneration earned by the Directors in respect of the year in line with the Directors' Remuneration Policy approved by shareholders at the 2021 Annual General Meeting.

Single total figure of remuneration for each Director (audited information)

The tables below report the total remuneration receivable in respect of qualifying services by each Director during the year.

	Total salary and fees ^(a)	Taxable benefits ^(b)	Pensions related benefits ^(c)	Total fixed remuneration	Annual bonus ^(d)	PSP ^(e)	Total variable remuneration	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2022								
Executive Directors								
Mark Milner	368	32	32	432	459	175	634	1,066
Guy Millward	266	32	11	309	333	—	333	642
Non-Executive Directors								
Martin Morgan	128	—	—	128	—	—	—	128
Paul Dollman	49	—	—	49	—	—	—	49
Helen Sachdev	49	—	—	49	—	—	—	49
William Macpherson	49	—	—	49	—	—	—	49
2021								
Executive Directors								
Mark Milner	350	39	30	419	350	—	350	769
Guy Millward ¹	170	20	7	197	170	—	170	367
Non-Executive Directors								
Martin Morgan	128	—	—	128	—	—	—	128
Paul Dollman	49	—	—	49	—	—	—	49
Helen Sachdev	49	—	—	49	—	—	—	49
William Macpherson ²	19	—	—	19	—	—	—	19

a) Total salary and fees – the amount of salary/fees received in the year.

b) Taxable benefits – the taxable value of benefits received in the year (i.e. car allowance, private medical insurance and income protection) plus, in the case of Mark Milner, the value of the SAYE option granted in November 2020.

c) Pensions related benefits – this is the amount of the cash payments in lieu of pension contributions made in the year.

d) Annual bonus – the value of the bonus earned in respect of the year, of which 20% will be deferred in shares. A description of performance against the objectives, which applied for the year ended 30 June 2022, is provided on page 52.

e) PSP – the value of performance related incentives vesting in respect of the financial year. A description of performance against the targets which applied for the awards vesting in respect of performance in the financial year is provided on page 53. The award will vest on 30 September 2022 and the estimated value of the award shown above is based on the three month average share price to 30 June 2022 (£2.43) and the value of dividends that would have accrued on vested shares during the performance period, which will be paid to Mr Milner.

1. Guy Millward joined the Board on 5 November 2020. His remuneration reported in the single figure table is from this date.

2. William Macpherson joined as Non-Executive Director the Board on 11 February 2021. His remuneration reported in the single figure table is from this date.

Total salary and fees

Total salary and fees are based on the need to retain the skills and knowledge that the Executive and Non-Executive Directors bring to the Company.

For the year ended 30 June 2022 (audited information)

For the year ended 30 June 2022 Mark Milner's salary was increased by 5% to £367,500 and Guy Millward's salary was increased by 2% to £266,220. As disclosed in last year's Directors' Remuneration report, Mark Milner's salary increase was awarded taking into account that he had not received a salary increase since his appointment as Chief Executive Officer in June 2019 and his strong performance and contribution since his appointment.

Pensions related benefits

For the year ended 30 June 2022 (audited information)

Neither Mark Milner nor Guy Millward participated in a pension scheme. They were paid an amount of £31,973 and £11,474

Governance – Wilmington plc 30 June 2022

respectively in the year in lieu of pension contributions, reflective of 9% of his annual salary net of employers' national insurance contributions in the case of Mark Milner and 5% of his annual salary net of employers' national insurance contributions in the case of Guy Millward.

Annual bonus

For the year ended 30 June 2022 (audited information)

Each Executive Director was eligible to earn a bonus of up to 125% of their salary, with the performance measures weighted as follows in respect of the maximum opportunity.

Measure	Weighting (% of base salary)
Adjusted Profit measure*	81.25%
Strategic and operational measures	31.25%
ESG measure	12.50%

The following provides the Adjusted Profit and personal strategic objectives reference points together with the out-turns for 2021/2022.

	Minimum target set	Maximum target set	Performance out-turn	Bonus earned as a % of base salary
Adjusted Profit*	£16.7m	£26.5m	£20.7m	81.25%

* Adjusted Profit is profit before adjusting items, impairment, and other income.

Strategic and operational measures

Objectives	Weighting (% of base salary)	Assessment of performance	Bonus earned (% of base salary)
Deliver next phase of digital transformation plans in Training & Education division.	10.41%	Next phase of digital transformation implemented in full during the period. Progress enhanced by subsequent delivery of additional initiatives relating 2022/23 roll-out phase.	10.41%
Effectively implement internal strategic reviews to drive organic growth strategy	10.41%	Internal reviews of lower margin businesses performed in H1. Detailed strategic improvement plans produced and phased one recommendations implemented effectively resulting in enhanced long term growth plans approved by the Board.	10.41%
Employee engagement survey participation rate exceeds 85% and actions are taken to address challenges raised.	10.41%	Participation in the engagement survey was 91%, exceeding target of 85% and prior year 87%, demonstrating strong communication channels between the Executive Directors and the wider workforce. Clear action plan developed to address priority areas of employee feedback, with investment in initiatives to support learning and development, employee experience and reward delivered in Q4.	10.41%
Deliver reduction in absolute Scope 1 and 2 CO ₂ emissions and establish commitment to future carbon reduction.	12.5%	Absolute market-based Scope 1 and 2 carbon emissions reduced by 82% driven by review of energy procurement strategy. Net-zero targets set in line with 1.5°C trajectory and residual emissions offset via high quality verified schemes.	12.5%

The Executive Directors therefore earned bonuses equal to 125% of salary (equivalent to 100% of maximum opportunity):

Mark Milner: £459,375
Guy Millward: £332,775

20% of the amount earned will be deferred into shares for two years.

The Committee carefully considered the bonus outturns in the context of overall performance, including the quality of earnings and ROCE performance, and the shareholder and employee experience. The Committee considered that the bonus outturns were appropriate.

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PSP

Awards vesting in respect of the year ended 30 June 2022 (audited information)

PSP awards were granted to Mark Milner on 30 September 2019 that are due to vest on 30 September 2022. The awards were subject to EPS growth, ROE and relative TSR performance against the FTSE SmallCap index over a three year period to 30 June 2022. The table below details the Company's performance against these performance measures for the three year performance period and the vesting out-turn.

Element	Weighting (% of award)	Target range		Performance	Vesting
		Minimum (25% of maximum)	Maximum (100% of maximum)		
Annual EPS growth in excess of RPI	33.3%	3.0%	9.0%	-1%	0%
ROE ¹	33.3%	25.0%	29.0%	25.9%	14.0%
TSR versus FTSE SmallCap	33.3%	Median	Upper quartile	Between median and upper quartile	26.7%
Total vesting outcome					40.7%

1. For the purposes of the PSP, ROE is defined as three year adjusted EBITA less impairment and adjusting items included in operating expenses divided by the average equity attributable to the owners of the parent.

	Number of shares granted ²	Number of shares vesting based on performance	Dividend Equivalents ³	Total value of award on vesting ⁴	Amount of award attributable to share price appreciation since grant
Mark Milner	168,269	72,215	3,774	£175,482	14%

2. A share price of £2.08 (five day average share price prior to grant) was used to determine the number of shares granted. The value of the vested shares is estimated based on a share price of £2.43. Therefore, the proportion of the total value of the award attributable to share price growth since the grant date is estimated to be 13%.

The Committee did not consider that it was necessary to exercise discretion in respect of share price appreciation since the grant date.

3. Calculated based on the value of dividends that would have accrued on vested shares during the performance period.

4. Calculated based on the three month average share price to 30 June 2022 (£2.43).

Mark Milner is required to hold no less than 50% of the vested shares (net of tax) for a minimum of two years post-vesting.

The Committee carefully considered the PSP outcome in the context of overall performance, including the quality of earnings and ROCE performance, and the shareholder and employee experience. The Committee considered that the PSP outcome was appropriate.

PSP Awards granted during the year

In respect of the year ended 30 June 2022 the following PSP awards were granted as detailed in the table below.

Name	Date of grant	Type of award	Maximum opportunity	Number of shares	Face value at grant	% of award vesting at minimum threshold
Mark Milner	30 September 2021	PSP	100% of salary	164,946	£367,500 ¹	25%
Guy Millward	30 September 2021	PSP	100% of salary	119,488	£266,220 ¹	25%

1. The face value is based on a price of 223p being the average share price from the five business days immediately preceding the award being granted on 30 September 2021.

The performance measures are disclosed below:

65% of award — EPS in the 2023/2024 financial year	Percentage of Award Vesting
Less than 18.0p	0.0%
18.0p	25.0%
More than 18.0p but less than 21.5p	On a straight line basis between 25.0% and 100.0%
21.5p or more than 21.5p	100%

35% of award — Organic revenue growth over a performance period from the 2020/2021 financial year to the 2023/2024 financial year

Less than 7%	Percentage of Award Vesting
7%	0.0%
More than 7% but less than 9%	25.0%
9% or more than 9%	On a straight line basis between 25.0% and 100.0%
	100%

The Committee may reduce the extent of vesting if the Committee considers that any value of the vested award represents a windfall gain caused by the impact on the share price due to the Covid-19 pandemic. In assessing this, the Committee will take into account Wilmington plc Annual Report and Financial Statements 2022

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a number of factors, including share price performance over the vesting period on an absolute and relative basis against peer companies, underlying financial performance of the Group during the performance period, the impact of any significant events during the vesting period on the Group's share price or the market as a whole.

The Executive Directors will be required to retain all of the vested shares (net of taxes) for a minimum of two years post-vesting.

Shareholding guidelines and statement of Directors' share awards (audited information)

Shareholding guidelines for Executives have been adopted, linked to the outturn from the PSP. At the time awards vest under the PSP (or any other Executive plan established in the future), Executive Directors will be expected to retain no fewer than 50% of vested shares (net of taxes) until such time as a total personal shareholding equivalent to 200% of pre-tax base salary has been achieved. This retention requirement also applies to 50% of the net vested shares under deferred bonus awards.

The holdings of those persons who served as Directors during the year, and of their families, are as follows:

	Beneficial/ non-beneficial	At 30 June 2021	Movement in year	At 30 June 2022	At 30 June 2022 Percentage
Mark Milner	Beneficial	45,000	—	45,000	0.05%
Guy Millward	Beneficial	—	—	—	—
Martin Morgan	Beneficial	90,000	—	90,000	0.10%
Paul Dollman	Beneficial	40,000	—	40,000	0.05%
Helen Sachdev	Beneficial	10,000	—	10,000	0.01%
William Macpherson	Beneficial	10,000	—	10,000	0.01%

As at 30 June 2022 the Company's share price was 230.00p and its highest and lowest share prices during the year ended 30 June 2022 were 205.00p and 262.00p respectively. Interests are shown as a percentage of shares in issue at 30 June 2022.

Executive Directors interests under share schemes (audited information)

Awards held under the PSP and SAYE scheme by each person who served as a Director during the year ended 30 June 2022 are as follows:

	Award date	Type of award	Number of shares at 1 July 2021	Granted during the year	Lapsed during the year	Exercised during the year	Number of shares at 30 June 2022	Date which awards vest
Mark Milner	30 Sept 2019 ¹	PSP	168,269	—	—	—	168,269	30 Sept 2022
Mark Milner	30 Sept 2020 ²	PSP	285,714	—	—	—	285,714	30 Sept 2023
Mark Milner	19 Oct 2020	SAYE	18,750	—	—	—	18,750	1 Dec 2023
Mark Milner	30 Sept 2021 ³	PSP	—	164,946	—	—	164,946	30 Sept 2024
Guy Millward	26 Feb 2021 ²	PSP	52,791	—	—	—	52,791	30 Sept 2023
Guy Millward	30 Sept 2021 ³	PSP	—	119,488	—	—	119,488	30 Sept 2024

1. Performance conditions for awards granted on 30 September 2019 are disclosed on page 53. The awards are expected to vest at 40.7%.
2. Performance conditions for awards granted on 30 September 2020 and 26 February 2021 are disclosed in the 2020/21 financial year Annual Report and Accounts.
3. Performance conditions for awards granted on 30 September 2021 are disclosed on page 53.

Dilution (unaudited information)

Awards under the Company's discretionary schemes which may be satisfied by a new issue of shares must not exceed 5.0% of the Company's issued share capital in any rolling ten year period and the total of all awards satisfied via new issue shares under all plans (both discretionary and all-employee) must not exceed 10.0% of the Company's issued share capital in any rolling ten year period.

At 30 June 2022, the headroom under the Company's 5.0% and 10.0% limits was 605,158 and 4,211,647 shares respectively, out of an issued share capital of 87,828,755 shares.

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Payments for loss of office (audited information)

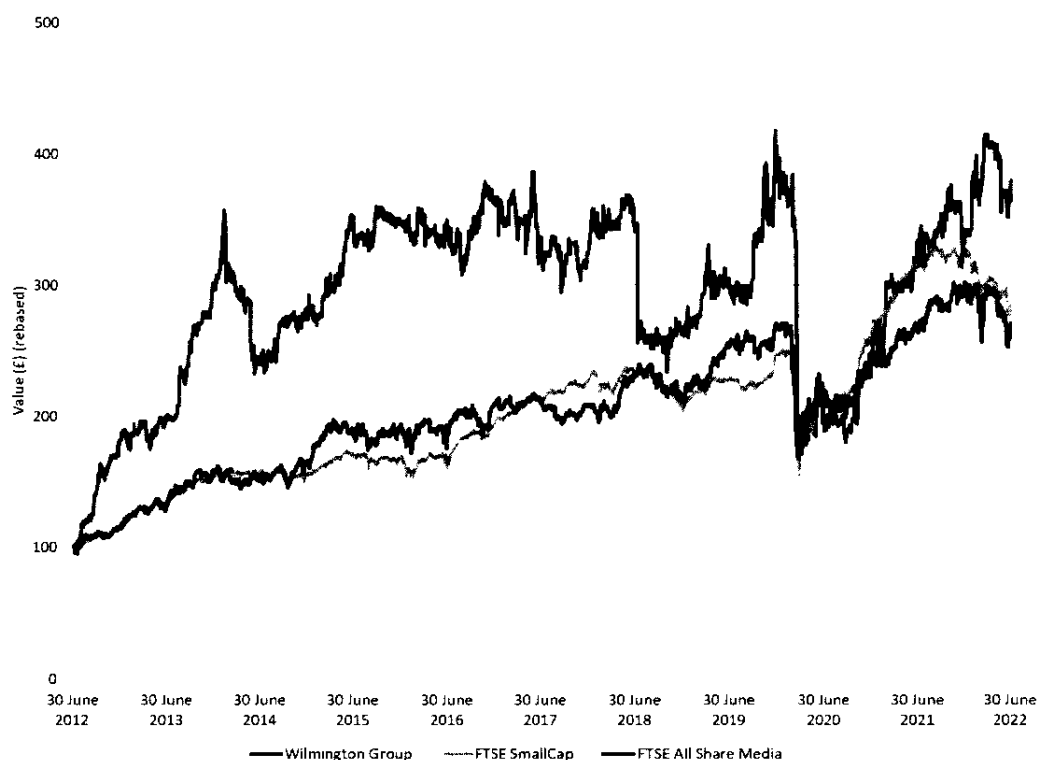
No payments for loss of office were made during the year.

Payments to former Directors (audited information)

As disclosed in last year's Directors' Remuneration report, when Richard Amos, the former Chief Financial Officer, left the Company he retained his 2019 PSP award on a time pro-rated basis and subject to the achievement of the applicable performance conditions assessed over the originally anticipated performance period. The 2019 PSP award will vest on the same basis as Mark Milner's award (40.7% of maximum), meaning that after the time pro-ration, Richard Amos' award will vest in respect of 16,125 shares plus dividend equivalents (in respect of dividends that would have accrued on vested shares during the performance period). He will be required to retain at least 50% of the shares that he acquires (after sales to cover tax liabilities) until at least the second anniversary of the vesting date.

Performance graph and table (unaudited information)

The following graph shows, for the year ended 30 June 2022 and for each of the previous nine years, the total shareholder return on a holding of the Company's ordinary shares compared with a hypothetical holding of shares of the same kind and number as those by reference to which the FTSE All – Share Media Index and the FTSE Small Cap Index are calculated. These indices have been chosen as the appropriate comparators because the Committee believe they contain the most comparable companies against which to appraise the Company's share performance.



Chief Executive Officer single figure (unaudited information)

	Total remuneration £'000	Annual bonus as a % of maximum opportunity %	PSP as a % of maximum number of shares %
2021/22 Mark Milner	1,066	100.0%	40.7%
2020/21 Mark Milner	769	100.0%	—
2019/20 Mark Milner	389	—	—
2018/19 Pedro Ros	398	21.8%	33.3%
2017/18 Pedro Ros	565	—	60.9%
2016/17 Pedro Ros	814	61.7%	84.1%
2015/16 Pedro Ros	677	73.1%	—
2014/15 Pedro Ros	671	78.5%	—
2013/14 Charles J Brady	943	88.6%	91.8%
2012/13 Charles J Brady	935	80.0%	55.0%

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Percentage change in remuneration of Directors and employees (unaudited information)

The year-on-year percentage change in salary, taxable benefits and annual bonus on a rolling basis, for the Executive and Non-Executive Directors and employees of the Company on a full-time equivalent basis. The average employee change has been calculated by reference to the mean of employee pay over the same period.

		Average employee	Mark Milner	Guy Millward ¹	Martin Morgan	Paul Dollman	Helen Sachdev	William Macpherson ¹
Salary/fees	2021/2022	1%	5%	2%	0%	0%	0%	0%
	2020/2021	0%	5%	0%	6%	4%	4%	0%
	2019/2020	2%	0%	0%	(3%)	(2%)	0%	0%
Taxable benefits ²	2021/2022	0%	(20%)	4%	0%	0%	0%	0%
	2020/2021	0%	34%	0%	0%	0%	0%	0%
	2019/2020	0%	0%	0%	0%	0%	0%	0%
Annual bonus	2021/2022	21%	31%	27%	0%	0%	0%	0%
	2020/2021	60%	100%	0%	0%	0%	0%	0%
	2019/2020	(50%)	(100%)	0%	0%	0%	0%	0%

1. In order to provide meaningful comparison with remuneration for 2021/2022, Guy Millward and William Macpherson's remuneration for 2020/2021 has been annualised, to reflect the fact that both joined the Board during the year ended 30 June 2021.
2. The decrease in taxable benefits in the year awarded to Mark Milner relates to the grant of SAYE options in 2020/2021.

The increase in average employee salary and fees in the year reflect an average salary increase for continuing employees of 2%, offset by the impact of restructuring and vacancies. The increase in Directors' salaries in the year reflect a holistic view of performance and other factors as outlined in the Remuneration Committee Chair's statement on pages 44-46. See previous Directors' Remuneration reports for explanations as regards the percentage change in salary, taxable benefits and annual bonus in respect of previous years.

Relative importance of spend on pay (unaudited information)

The difference in actual expenditure between 2020/2021 and 2021/2022 on remuneration for all employees in comparison to distributions to shareholders by way of dividend is detailed in the table below. The significant increase in distributions to shareholders by way of a dividend is primarily due to the final 2020 dividend being withheld in response to ongoing uncertainty around the impacts of the Covid-19 pandemic. There were no share buybacks during the year.

	2021/22 £'000	2020/21 £'000	Change %
Expenditure on remuneration for all employees	47,374	47,884	-1%
Distributions to shareholders by way of a dividend	5,492	1,829	200%

CEO pay ratio

The following table discloses the ratios between the single total figure of remuneration ('STFR') of the Chief Executive Officer for 2020/21 and 2021/22 and the lower quartile, median and upper quartile pay of Wilmington's UK employees for those years. The STFR of employees at each quartile has been calculated on a full-time equivalent basis as at the final day of the relevant financial year. Wilmington is committed to ensuring competitive pay for all colleagues.

	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2021/22	Option B	40:1	24:1	14:1
2020/21	Option B	28:1	21:1	13:1
2019/20	Option B	14:1	10:1	6:1

Single total figures of remuneration used to calculate the above ratio

		CEO	25 th percentile pay ratio		Median pay ratio		75 th percentile pay ratio	
		Total pay and benefits	Total salary	Total pay and benefits	Total salary and benefits	Total pay and benefits	Total salary and benefits	Total salary
Method		£'000	£'000	£'000	£'000	£'000	£'000	£'000
2021/22	Option B	1,066	368	70	63	40	37	24
								23

Reporting regulations offer three methodologies to calculate the CEO pay ratio – Options A, B and C. The above table has been calculated by adopting Option B, which was determined as the most appropriate methodology for Wilmington. It was decided that Option B would be the most appropriate approach as Wilmington had already completed a comprehensive analysis of UK employees for the purpose of gender pay gap reporting. As such, the most recent gender pay gap data, due to be published in September 2022, was used to determine the employees at the 25th percentile, median and 75th percentile. A single total figure of remuneration was then calculated for each of the relevant employees using a consistent approach to the calculation of the single total figure of remuneration for the Chief Executive Officer on page 51 based on remuneration as at 30 June 2022. For example, variable bonus

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payments and employer pension contributions were added to the gender pay data to ensure the STFR reflected all relevant remuneration received in respect of the year ended 30 June 2022. The pay data for a sample of employees at each percentile was then reviewed for accuracy and consistency and as such, Wilmington believes the selected employees are reasonably representative of the 25th, median, and 75th percentiles.

It is expected that the CEO pay ratio has the potential to vary considerably year-on-year due to the significant variable remuneration element included. 40.7% of the PSP award granted to the CEO on 30 September 2019 will vest on 30 September 2022 in respect of three year performance to 30 June 2022. No PSP award was capable of vesting in respect of three year performance ended 30 June 2021 for the CEO. This variance in PSP vesting is the primary reason for an increase in the ratio relating to the year ended 30 June 2022.

The Company believes that the median pay ratio is consistent with the pay, reward, and progression policies for the Company's UK employees as a whole.

Implementation of the policy for the year ending 30 June 2023 (unaudited information)

The Committee Chair's Statement on pages 44 to 46 describes how the policy will be implemented for the year ending 30 June 2023.

Details of the Remuneration Committee, advisors to the Committee and their fees (unaudited information)

Details of the Directors who were members of the Committee during the year are disclosed on pages 34 and 35. The Committee has also received assistance from the Chief Executive Officer with respect to the remuneration of the other Executive Director and on the Company's remuneration policy more generally. He is not in attendance when his own remuneration is discussed.

During the year, the Committee received independent advice from the following external consultants:

	2021/22 £'000
Committee's advisors	
Aon Hewitt Limited provided advice to the Committee on performance analysis.	2
Deloitte LLP provided advice to the Committee on executive remuneration, including annual bonus performance measures and the preparation of the Directors' remuneration report.	23

Deloitte LLP was appointed by the Committee in 2013; the Group also engages Deloitte LLP to provide advice in relation to the Company's share plans. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK. Aon Hewitt Limited was appointed by the Committee in previous years. The Committee took into account the Remuneration Consultants Group's Code of Conduct when reviewing the appointment of Aon Hewitt Limited and Deloitte LLP.

The Committee is satisfied that all advice received was objective and independent.

Details of the attendance of the Committee are set out in the table below:

Committee member	Member since	Committee meetings attended	Committee meetings eligible to attend
Helen Sachdev (Committee Chair)	April 2020	3	3
Martin Morgan	May 2018	3	3
Paul Dollman	September 2015	3	3
William Macpherson	February 2021	3	3

Statement of voting at general meeting (unaudited information)

At the Annual General Meeting held on 3 November 2021 the Annual Report on remuneration received the following votes from shareholders:

Annual Report on remuneration	Total number of votes	% of votes cast
For	72,070,678	97.89%
Against	1,553,300	2.11%
Total votes cast (for and against)	73,623,978	
Votes withheld	-	
Total votes (including withheld votes)	73,623,978	

At the Annual General Meeting held on 3 November 2021 the Directors' Remuneration Policy received the following votes from shareholders:

Directors' Remuneration Policy	Total number of votes	% of votes cast
For	72,064,696	97.88%
Against	1,559,282	2.12%
Total votes cast (for and against)	73,623,978	
Votes withheld	-	
Total votes (including withheld votes)	73,623,978	

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Directors' report and other statutory information

The Directors present their report together with the audited consolidated financial statements for the year ended 30 June 2022. The Directors' report comprises pages 58 and 59 and the sections of the Annual Report incorporated by reference are set out below which, taken together, contain the information to be included in the Annual Report, where applicable, under Listing Rule 9.8.4.

Board membership	p. 34
Dividends	p. 5
Directors' long term incentives	p. 47
Corporate governance report	p. 36
Future developments of the business of the Group	p. 3
Employee equality, diversity and involvement	p. 13
Events after the reporting period	p. 108
Subsidiaries of the Group	p. 93
Financial risk management	p. 96
Sustainability and greenhouse gas emissions	p. 12
S172 statement and stakeholder engagement	p. 10
Going concern	p. 76
Viability statement	p. 32

Notice concerning forward-looking statements

This Annual Report contains forward-looking statements. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, these statements are not guarantees of future performance and are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward-looking statements.

The terms 'expect', 'estimate', 'forecast', 'target', 'believe', 'should be', 'will be' and similar expressions are intended to identify forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to, those identified under 'Principal risks and uncertainties' on pages 22 to 28 of this Annual Report.

The forward-looking statements contained in this Annual Report speak only as of the date of publication of this Annual Report and the Group therefore cautions readers not to place undue reliance on any forward-looking statements. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any such statement is based.

General information

The Company is public limited and is incorporated and domiciled in the UK. The Company is listed on the main market of the London Stock Exchange. The Company's registered address is 10 Whitechapel High Street, London E1 8QS.

Branches outside the UK

The Group does not operate any branches outside the UK.

Research and development activities

The Group invests in research and development to support the development of its businesses which can rely on technology to deliver their data, information, education and training services. Examples of investments undertaken in the year are included in the Financial review on pages 19 to 21.

Political donations

No political donations were made during the year (2021: £nil).

Directors and Directors' interests

All Directors are equally accountable for the proper stewardship of the Company's affairs. Executive and Non-Executive Directors offer themselves for election or re-election at each Annual General Meeting as a result of the Company deciding to adopt best practice guidelines and the 2018 UK Corporate Governance Code, located on the FRC's website at www.frc.org.uk/directors/corporate-governance-and-stewardship/uk-corporate-governance-code.

Details of the remuneration, service contracts, letters of appointment and interests in the share capital of the Company for the Directors who have served during the year are set out in the Directors' remuneration report on pages 44 to 57.

As disclosed in note 28 none of the Directors had any material interest in any contract, other than an employment contract, that was significant in relation to the Group's business at any time during the year.

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Directors' third-party indemnity provisions

To reduce the possibility of the Company incurring expenses which might arise from the need to indemnify a Director or Officer from claims made against them or the cost associated with their defence, the Group has in place Directors' and Officers' qualifying third-party liability insurance as permitted by the Companies Act 2006, which has been in force throughout the financial year and up to the date of approval of these financial statements.

Inclusivity and employee engagement

The Group's recruitment policy ensures that all job applications are reviewed on a fair basis free from discrimination. This policy aligns strongly to our work to embed an inclusive culture across the Group, and to our accessibility agenda as set out in the Sustainability report on page 15. The policy includes provision to ensure that any candidate or employee who has or develops a disability, long term health condition or impairment is considered fairly in our recruitment and career progression processes. The Group also has a policy to ensure that it makes reasonable adjustments for all candidates or employees to reflect their needs and allow them to participate fully, develop and thrive in our business.

Please refer to the Section 172 statement on page 10 for information regarding actions taken during the year to maintain employee engagement.

Financial instruments

An explanation of the Group's treasury policies and existing financial instruments are set out in note 21 of the financial statements.

Purchase of own shares and sale of treasury shares

The Group has, in previous years, purchased its own shares and holds such shares in treasury. At 30 June 2022, 65,970 shares were held in treasury (2021: 34,533), which represents 0.1% (2021: 0.1%) of the share capital of the Company.

During the year the Wilmington Group plc Employee Share Ownership Trust ('ESOT') purchased 170,097 ordinary shares for the purpose of future settlement of employee share schemes. These shares will ultimately be used by the Trust for the settlement of awards granted under the Company's employee share schemes. The Company seeks authority from its shareholders at each Annual General Meeting to purchase its own shares.

In May 2022 Wilmington issued a further 224,838 ordinary voting shares to satisfy the Company's obligations under the SAYE Plan.

Contracts of significance with shareholders

The Company and its subsidiary undertakings do not have any contractual or other arrangements with any continuing shareholders which are essential to the business of the Company.

Takeover directive disclosures

As at 30 June 2022, the Company had only one authorised class of share, namely ordinary shares of 5p each, of which there were in issue 87,828,755 (2021: 87,603,917). There are no special arrangements or restrictions relating to any of these shares, whether in terms of transfers, voting rights, or relating to changes in control of the Company. The Company does not have any special rules in place regarding the appointment and replacement of Directors, or regarding amendments to the Company's articles of association.

Under the terms of the Company's banking arrangements, in the event that a person or group of persons acting in concert gains control of the Company, the lending banks may require, by giving not less than 30 days' notice, the repayment of any debt and the cancellation of facilities.

Subject to various conditions, if the Company is taken over, all share awards and options will vest and may be exercised.

Except for share awards and options, and the banking arrangements described above there are no special conditions or agreements in place which would take effect, alter or terminate in the event of a takeover.

Apart from the interests of the Directors disclosed in the Directors' remuneration report and the substantial interests listed on page 40 there are no individuals or entities with significant holdings, either direct or indirect, in the Company.

Annual General Meeting

A separate notice convening the Annual General Meeting of the Company to be held at the head office, 10 Whitechapel High Street, London E1 8QS, on 23 November 2022 will be circulated to shareholders with this Annual Report and financial statements.

Governance – Wilmington plc 30 June 2022

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and 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 prepared the financial statements in accordance with UK adopted international accounting standards (UK adopted IAS). 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 and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable IFRSs as adopted by the United Kingdom have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' remuneration report 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.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations. Having taken advice from the Audit Committee, the Directors consider the Annual Report and the financial statements, taken as a whole, provides the information necessary to assess the Company's performance, business model and strategy and is fair, balanced and understandable.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

To the best of our knowledge:

- the Group financial statements, prepared in accordance with IFRSs as adopted by the United Kingdom, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic report and Directors' report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Approved on behalf of the Board by:

Guy Millward

Chief Financial Officer

21 September 2022



Financial statements– Wilmington plc 30 June 2022

Independent auditors' report

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Wilmington plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 30 June 2022, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the Group and Company balance sheets, the Group and company statements of changes in equity, the Group and Company cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 30 June 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Group and 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 as applied to listed public interest entities, 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the Group's and the Company's cash position and performance throughout the year, considering the Company's ability to pay dividends, concluding that the Group's and the Company's ability to continue as a going concern was not a significant risk that required special audit consideration;
- obtaining management's base case forecasts for the going concern period to 30 September 2023 and evaluating their integrity and suitability as a basis for management to assess going concern;
- assessing mathematical accuracy of management's forecasts, and corroborating to supporting documentation and Board approval where appropriate;
- challenging the key inputs underpinning the forecasts including agreeing the opening net cash position as 30 June 2022 to audited balances and corroborating the existence and availability of the group's loan facility for the going concern period;
- following the repayment of bank debt in the year, the focus of the audit team's assessment shifted from covenant compliance to liquidity, reviewing forecast cash reserves throughout the going concern period and challenging the underlying assumptions;
- considering the severity and plausibility of management's downside scenarios, and evaluating the assumptions regarding revenue reductions and increased costs under each of these scenarios;
- considering the severity and plausibility of management's reverse stress test scenario prepared to identify the conditions which would result in the exhaustion of cash reserves, and evaluating the mitigating actions available to management;

Financial statements– Wilmington plc 30 June 2022

- assessing whether the assumptions are consistent with our understanding of the business obtained during the course of the audit and the changing external circumstances arising from the changing global economic environment;
- evaluating the accuracy of management's historical forecasting and the impact of this on management's assessment;
- inspecting unaudited post year end performance and minutes of meetings of the Board of directors and all of its committees to ensure any post year end events have been factored into management's forecasts; and
- evaluating the appropriateness and adequacy of disclosures in respect of going concern made in the financial statements.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the Company's business model including effects arising from macro-economic uncertainties such as Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and the Company's financial resources or ability to continue operations over the going concern period.

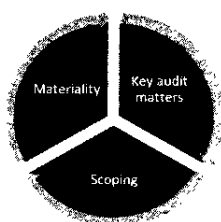
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when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

In relation to the Group's and the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Our approach to the audit



Overview of our audit approach

Overall materiality:

Group: £900,000, which represents 5% of the Group's normalized profit before tax, determined at the planning stage of the audit.

Company: £495,000, which represents 1% of the Company's total assets capped at its component materiality, being 55% of Group materiality.

Key audit matters were identified as:

- Recognition of revenue (same as previous year)

Our auditor's report for the year ended 30 June 2021 included one key audit matter that has not been reported as a key audit matter in the current year. This relates to impairment of goodwill which is not included in the current year due to the lack of impairment indicators and increase in headroom from prior year.

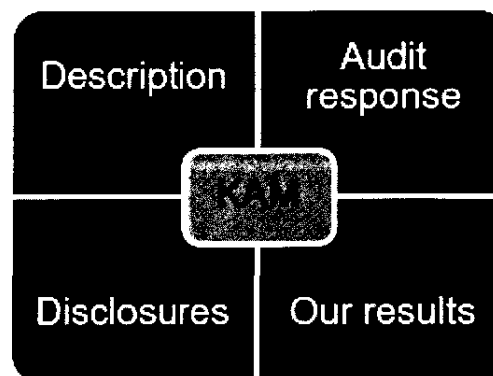
We performed full scope audit procedures on the financial statements of Wilmington plc and on the financial information of Wilmington Shared Services Limited, Wilmington Healthcare Limited, Axco Insurance Information Services Limited, International Compliance Training Limited and Mercia Group Limited.

Full scope or specified audit procedures were performed on the financial information of components representing 80% of the Group's revenue and 73% of the Group's profit before tax.

Financial statements– Wilmington plc 30 June 2022

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.



Key Audit Matter – Group

Recognition of revenue

We identified recognition of revenue as one of the most significant assessed risks of material misstatement due to fraud.

Under International Standard on Auditing (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a presumption that there are risks of fraud in revenue recognition.

The group has a number of revenue streams which include performance obligations recognised at both a point in time and over time, spanning less than one year and not involving complex arrangements.

We assessed the risk of fraud to be greatest in the final quarter of the year, where there is an increased risk of manipulation of the timing or quantum of revenue. This could lead to revenue being inappropriately recognised in the year rather than being deferred.

There is also an associated risk relating to the completeness of deferred revenue.

How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- assessing the stated accounting policies in respect of revenue recognition and whether these are consistent with IFRS 15 'Revenue from Contracts with Customers' and whether revenue has been recorded in accordance with the accounting policies;
- performing substantive testing on a sample of revenue transactions during the year with a particular focus on the final quarter, across each of the significant revenue streams to assess whether revenue is recognised in accordance with the contract terms and agreeing to supporting evidence to confirm occurrence;
- Calculating an expected amount of deferred income for each item in our sample, and traced this through to deferred income to confirm completeness of the deferred income balance at year end;
- In the case of five components, performing extended walkthroughs over a sample of items to follow the transactions through the full sales process from initiation to payment from customer and any associated deferred income;

Financial statements– Wilmington plc 30 June 2022

Key Audit Matter – Group	How our scope addressed the matter – Group
	<ul style="list-style-type: none"> tracing a sample of transactions from the customer relationship management system and billing software to the sales ledger to confirm completeness of revenue; performing cut off procedures to ensure that revenue was recognised in the correct period via testing of revenue through to current year deferred income schedules, and tracing through prior period deferred income balances to current year revenue listing in the current period; selecting a sample of post year end credit notes and tracing to corresponding invoice, assessing whether revenue had been incorrectly recognised in the financial year; and performing an analysis of credit notes raised post year end for evidence of revenue transactions that should have been provided for in the financial year.
Relevant disclosures in the Annual Report and Accounts 2022 <ul style="list-style-type: none"> Financial statements: Note 3, Revenue Audit Committee report: Revenue recognition 	Our results Our audit work did not identify any material errors in the recognition of revenue during the year.

We did not identify any key audit matters relating to the audit of the financial statements of the Company.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£900,000, which represents 5% of the Group's normalized profit before tax, determined at the planning stage of the audit.	£495,000, which represents 1% of the Company's total assets capped at its component materiality, which is 55% of Group materiality.
Significant judgements made by auditor in determining materiality	In determining materiality, we made the following significant judgements: <ul style="list-style-type: none"> Normalized profit before tax was considered the most appropriate benchmark because the movement in profit before tax has remained correlated with the activity of the business. The impact of any material non-recurring items were removed, namely the gain on disposal in the year. We then determined materiality at 5% of this normalized profit before tax figure. Materiality for the current year is higher than the level that we determined for the year ended 30 June 2021 to reflect the change in benchmark	In determining materiality, we made the following significant judgements: <ul style="list-style-type: none"> Total assets was considered the most appropriate benchmark because the Company's purpose is to hold material investments in its subsidiary companies and in the amounts receivable from subsidiary companies, and does not trade. Company materiality was initially determined at 1% of total assets, however this has been capped at its component materiality of £495,000 to provide sufficient assurance at the Group level. Materiality for the current year is lower than the level that we determined for the year ended 30

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and measurement percentage from 0.65% of forecast revenue in the prior year to 5% of normalized profit before tax this year, which was higher.

June 2021 to reflect the capping at a lower measurement percentage this year of 55% (2021: 75%), which was required to ensure sufficient audit procedures were performed for the purposes of the group audit.

Performance materiality used to drive the extent of our testing

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality threshold

£675,000, which is 75% of financial statement materiality.

£371,000, which is 75% of financial statement materiality.

Significant judgements made by auditor in determining performance materiality

In determining performance materiality, we made the following significant judgements:

- Our experience with auditing the financial statements of the Group in previous years – based on the number and quantum of identified misstatements in the prior year audit and management's attitude to correcting misstatements identified;
- Our assessment of the strength and effectiveness of the control environment; and
- The number of components within the Group and the extent of audit procedures planned and performed at these components.

In determining performance materiality, we made the following significant judgements:

- Our experience with auditing the financial statements of the Company in previous years – based on the number and quantum of identified misstatements in the prior year audit and management's attitude to correcting misstatements identified; and
- Our assessment of the strength and effectiveness of the control environment.

Specific materiality

We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Specific materiality

We determined a lower level of specific materiality for the following areas:

- Related party transactions; and
- Directors' remuneration.

We determined a lower level of specific materiality for the following areas:

- Related party transactions; and
- Directors' remuneration.

Communication of misstatements to the Audit Committee

We determine a threshold for reporting unadjusted differences to the Audit Committee.

Threshold for communication

£45,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

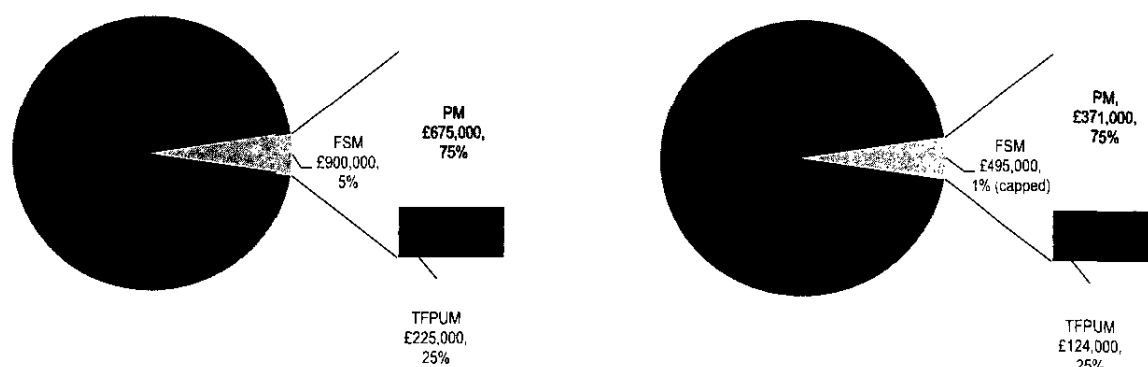
£24,750 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Group

Overall materiality – Company

Financial statements– Wilmington plc 30 June 2022



FSM: Financial statements materiality, PM: Performance materiality, TFPUM: Tolerance for potential uncorrected misstatements

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the Group's and the Company's business and in particular matters related to:

Understanding the group, its components, and their environments, including group-wide controls

- obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the group level;
- evaluation of the design and implementation of controls over the financial reporting systems and the effectiveness of the control environment as part of our risk assessment; and
- evaluation by the Group audit team of identified components to assess the significance of each component and to determine the planned audit response based on a measure of materiality.

Identifying significant components

- in setting our audit scope we assessed qualitative and quantitative factors to identify components which are significant to the Group;
- with regards to quantitative measures, we determined any individual component which significant contribution to consolidated revenues or consolidated underlying profit or loss before taxation to be financially significant to the Group;
- financially significant components were identified as Wilmington plc and Wilmington Shares Services Limited, based on qualitative factors. Wilmington Healthcare Limited and Axco Insurance Information Services Limited were also identified as significant components due to quantitative factors. These four components were subject to full scope audit procedures and represent 28% of the Group's revenue and 52% of the Group's profit before tax. All work in relation to these components was performed by the Group audit team;
- two further components were identified as not being financially significant but material and therefore still requiring full scope audit procedures, being International Compliance Training Limited and Mercia Group Limited. All work in relation to these components was performed by the Group audit team;
- five further components were identified for specified audit procedures on specific balances. The work on these components was targeted according to the nature of the balances within these components. All work in relation to these components was performed by the Group audit team, with the exception of the procedures performed over APM Media International, which were performed by Grant Thornton France and reviewed by the group audit team who then performed any additional audit procedures as appropriate.
- the remaining 42 components were subject to analytical procedures commensurate with their significance to the Group's results and financial position.

Type of work to be performed on financial information of parent and other components

Financial statements– Wilmington plc 30 June 2022

- for the Company and other financially significant components requiring a full-scope approach, we evaluated the design and implementation of controls over the financial reporting systems identified as part of our risk assessment and addressed critical accounting matters. We then undertook substantive testing on significant transactions and material account balances;
- for components identified as not being financially significant but still requiring a full-scope approach, the financial information of each component was subjected to audit procedures to component materiality;
- for components identified for specified audit procedures, audit procedures were performed on revenue balances to provide us with assurance for the significant risk and key audit matter of the recognition of revenue.

Performance of our audit

- work performed over full scope components and specified procedures components covered 80% of the Group's revenue and 73% of the Group's profit before tax; and
- the remaining components of the Group were subject to analytical procedures commensurate with their significance to the Group's results and financial position.

Communications with component auditors

- The specific audit procedures performed on APM International SAS were carried out by Grant Thornton France.
- Detailed audit instructions were issued to the component auditors, including the specific audit procedures to be performed on the individual component, and indicating the information we required to be reported back to the Group audit team. The Group audit team performed reviews of the component auditor's work, performing additional procedures where appropriate. We communicated with the component auditors as required throughout the planning, fieldwork and completion stages of the audit.

Changes in approach from previous period

- The subsidiary Axco Insurance Information Services Limited has been identified as financially significant in the year whereas it was identified as not being financial significant but still requiring a full scope audit in the prior year.
- The subsidiaries Wilmington Publishing & Information Limited, Bond Solon Training Limited, Smee and Ford Limited and Wilmington FRA Inc have been identified as requiring specified audit procedures in the year, whereas in the prior year they were identified as either not being financially significant, or not being financially significant but still requiring a full-scope audit.
- The subsidiaries Adkins & Matchett (UK) Limited, International Compliance Training Academy PTE Limited, Wilmington Holdings No.1 Limited and Central Law Training Limited have been identified as not being financially significant in the year whereas in the prior year they were identified as either not being financial significant but still requiring a full scope audit or requiring specified audit procedures.

Audit approach	No. of components	% coverage Revenue	% coverage Profit before tax
Full-scope audit	6	50%	60%
Specified audit procedures	5	30%	16%
Analytical procedures	42	20%	11%
Consolidation adjustments	0	0%	13%

Other information

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Financial statements– Wilmington plc 30 June 2022

Our opinions on other matters prescribed by the Companies Act 2006 are unmodified

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and 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.

Matters on which we are required to report by exception

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

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's and the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the Group's and the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation in the annual reports to how they have assessed the prospects of the Group and the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group and the Company will be able to continue in operation and meet their liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions;
- the directors' statement that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and the Company's performance, business model and strategy;
- the directors' confirmation in the annual report that they have carried out a robust assessment of the principal and emerging risks facing the Group and the Company, including the impact of Covid-19, and the disclosures in the annual report that describe the principal risks, procedures to identify emerging risks and an explanation of how they are being managed or mitigated;
- the section of the annual report that describes the review of the effectiveness of the Group's and the Company's risk management and internal control systems, covering all material controls, including financial, operational and compliance controls; and
- the section of the annual report describing the work of the Audit Committee, including significant issues that the Audit Committee considered relating to the financial statements and how these issues were addressed.

Responsibilities of directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors

Financial statements– Wilmington plc 30 June 2022

determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and the Company and the sector in which they operate. We determined that the following laws and regulations were most significant: UK-adopted international accounting standards (for the Group) and UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006 (for the Company), the Companies Act 2006, the Listing Rules, the UK Corporate Governance Code and UK corporate taxation laws.
- We obtained an understanding of how the Group and the Company are complying with those legal and regulatory frameworks by making inquiries of management and of the Group's head of legal department. We corroborated our inquiries through our review of Board minutes and papers provided to the Audit Committee.
- We assessed the susceptibility of the Group's and the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the Group engagement team included:
 - identifying and assessing the design and implementation of controls management has in place to prevent and detect fraud;
 - obtaining an understanding of how those charged with governance considered and addressed the potential for override of controls or applied other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with the relevant laws and regulations.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify and recognise non-compliance with laws and regulations through an assessment of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation; and
 - knowledge of the industry in which the Group and Company operate.
- Team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of deferred income. This is also reported as a key audit matter in the key

Financial statements– Wilmington plc 30 June 2022

audit matters section of our report, where the matter and specific procedures performed in response to this matter are described in more detail.

- We also inquired with the component auditors as to whether they had identified any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements.

Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board on 13 June 2022 to audit the financial statements for the year ending 30 June 2022.

The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 4 years, covering the periods ended 30 June 2019 to 30 June 2022.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Company and we remain independent of the Group and the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

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.



Sergio Cardoso

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

21 September 2022

Financial statements– Wilmington plc 30 June 2022

Consolidated income statement for the year ended 30 June 2022

	Notes	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Continuing operations			
Revenue	3	121,028	113,027
Operating expenses before amortisation of intangibles excluding computer software, impairment and adjusting items		(99,407)	(96,378)
Impairment of goodwill, intangible assets and property, plant and equipment	4b	(597)	(14,834)
Amortisation of intangible assets excluding computer software	4b	(2,368)	(3,400)
Adjusting items	4b	(66)	(2,970)
Operating expenses	5	(102,438)	(117,582)
Other income – gain on disposal of subsidiaries	11	16,329	770
Other income – gain on disposal of business operations		—	3,394
Other income – gain on disposal of property, plant and equipment	4a	1,289	—
Other income – net gain on financing activities		840	—
Operating profit/(loss)		37,048	(391)
Net finance costs	6	(928)	(1,634)
Profit/(loss) before tax		36,120	(2,025)
Taxation	7	(3,295)	(2,522)
Profit/(loss) for the year attributable to owners of the parent		32,825	(4,547)
Earnings/(loss) per share:			
Basic (p)	9	37.46	(5.18)
Diluted (p)	9	36.98	(5.18)

The notes on pages 76 to 108 are an integral part of these consolidated financial statements.

Financial statements– Wilmington plc 30 June 2022**Consolidated statement of comprehensive income
for the year ended 30 June 2022**

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Profit/(loss) for the year	32,825	(4,547)
Other comprehensive income/(expense):		
Items that may be reclassified subsequently to the income statement		
Fair value movements on interest rate swaps, net of tax	—	93
Currency translation differences	2,353	(1,732)
Fair value movements of net investment hedges, net of tax	(193)	762
Other comprehensive income/(expense) for the year, net of tax	2,160	(877)
Total comprehensive income/(expense) for the year attributable to owners of the parent	34,985	(5,424)

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 7. The notes on pages 76 to 108 are an integral part of these financial statements.

Financial statements– Wilmington plc 30 June 2022

Balance sheets

as at 30 June 2022

	Notes	Group		Company	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Non-current assets					
Goodwill	12	61,128	65,833	—	—
Intangible assets	13	9,427	14,000	—	—
Property, plant and equipment	14	6,876	9,277	4,108	4,833
Investment in subsidiaries	15	—	—	49,420	49,420
Deferred consideration receivable		1,448	1,585	—	—
Derivative financial instruments	17	—	57	—	57
Deferred tax assets	22	1,041	1,364	504	439
		79,920	92,116	54,032	54,749
Current assets					
Trade and other receivables	16	27,097	28,698	118,741	106,964
Deferred consideration receivable		250	250	—	—
Current tax assets		1,262	312	—	—
Cash and cash equivalents		19,785	7,374	15,734	2,702
Assets of disposal group held for sale	20	1,450	1,588	—	—
		49,844	38,222	134,475	109,666
Total assets		129,764	130,338	188,507	164,415
Current liabilities					
Trade and other payables	18	(50,258)	(54,959)	(53,314)	(37,167)
Current tax liabilities		—	—	(170)	(170)
Borrowings	19	—	(3,644)	—	—
Lease liabilities	25	(648)	(2,356)	(118)	(1,606)
Provisions	26	(307)	(461)	—	—
Liabilities of disposal group held for sale	20	(1,332)	—	—	—
		(52,545)	(61,420)	(53,602)	(38,943)
Non-current liabilities					
Borrowings	19	—	(20,430)	—	—
Lease liabilities	25	(6,862)	(8,386)	(6,107)	(7,357)
Deferred tax liabilities	22	(2,040)	(2,054)	—	—
Provisions	26	(1,228)	(1,381)	—	—
		(10,130)	(32,251)	(6,107)	(7,357)
Total liabilities		(62,675)	(93,671)	(59,709)	(46,300)
Net assets		67,089	36,667	128,798	118,115
Equity					
Share capital	23	4,391	4,380	4,391	4,380
Share premium	23	45,553	45,225	45,553	45,225
Treasury and ESOT reserves	23	(1,093)	(701)	(183)	(78)
Share based payments reserve		2,141	1,390	2,141	1,390
Translation reserve		4,422	2,069	—	—
Retained earnings/(accumulated losses)		11,675	(15,696)	76,896	67,198
Total equity		67,089	36,667	128,798	118,115

Wilmington plc, the parent company, recorded a profit of £14,959,000 (2021: £37,865,000) during the year.

The notes on pages 76 to 108 are an integral part of these consolidated financial statements. The financial statements on pages 71 to 108 were approved and authorised for issue by the Board and signed on their behalf on 21 September 2022.



Mark Milner
Chief Executive Officer



Guy Millward
Chief Financial Officer

Registered number: 03015847

Financial statements– Wilmington plc 30 June 2022

Statements of changes in equity
for the year ended 30 June 2022

	Share capital, share premium, ESOT shares and treasury shares (note 23) £'000	Share based payments reserve £'000	Translation reserve £'000	Retained earnings/ (accumulated losses) £'000	Total equity £'000
Group					
At 1 July 2020	49,015	1,195	3,801	(10,605)	43,406
Loss for the year	—	—	—	(4,547)	(4,547)
Other comprehensive (expense)/income for the year	—	—	(1,732)	855	(877)
	49,015	1,195	2,069	(14,297)	37,982
Transactions with owners:					
Dividends paid	—	—	—	(1,829)	(1,829)
Performance share plan awards vesting settled via ESOT	137	(241)	—	104	—
ESOT share purchases	(263)	—	—	—	(263)
Sale of treasury shares	15	—	—	—	15
Share based payments	—	436	—	—	436
Tax on share based payments	—	—	—	326	326
At 30 June 2021	48,904	1,390	2,069	(15,696)	36,667
Profit for the year	—	—	—	32,825	32,825
Other comprehensive income/(expense) for the year	—	—	2,353	(193)	2,160
	48,904	1,390	4,422	16,936	71,652
Transactions with owners:					
Dividends paid	—	—	—	(5,492)	(5,492)
Performance share plan awards vesting settled via ESOT	84	(105)	—	21	—
ESOT share purchases	(371)	—	—	—	(371)
Sale of treasury shares	49	—	—	—	49
Purchase of treasury shares	(154)	—	—	—	(154)
Issue of share capital	11	—	—	—	11
Issue of share premium	328	—	—	—	328
Save As You Earn options settlement	—	(180)	—	152	(28)
Share based payments	—	1,036	—	—	1,036
Tax on share based payments	—	—	—	58	58
At 30 June 2022	48,851	2,141	4,422	11,675	67,089

	Share capital, share premium and treasury shares (note 23) £'000	Share based payments reserve £'000	Retained earnings £'000	Total £'000
Company				
At 1 July 2020	49,512	1,195	30,638	81,345
Profit for the year	—	—	37,865	37,865
Other comprehensive income for the year	—	—	94	94
	49,512	1,195	68,597	119,304
Dividends paid	—	—	(1,829)	(1,829)
Performance share plan awards vesting settled via ESOT	—	(241)	104	(137)
Sale of treasury shares	15	—	—	15
Share based payments	—	436	—	436
Tax on share based payments	—	—	326	326
At 30 June 2021	49,527	1,390	67,198	118,115
Profit for the year	—	—	14,959	14,959
	49,527	1,390	82,157	133,074
Dividends paid	—	—	(5,492)	(5,492)
Performance share plan awards vesting settled via ESOT	—	(105)	21	(84)
Sale of treasury shares	49	—	—	49
Purchase of treasury shares	(154)	—	—	(154)
Issue of share capital	11	—	—	11
Issue of share premium	328	—	—	328
Save As You Earn options settlement	—	(180)	152	(28)
Share based payments	—	1,036	—	1,036
Tax on share based payments	—	—	58	58
At 30 June 2022	49,761	2,141	76,896	128,798

The notes on pages 76 to 108 are an integral part of these consolidated financial statements.

Financial statements– Wilmington plc 30 June 2022

Cash flow statements

for the year ended 30 June 2022

	Notes	Group		Company	
		Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Cash flows from operating activities					
Cash generated from/(used in) operations before adjusting items	30	24,570	17,290	(6,715)	20,384
Cash flows for adjusting items – operating activities		(342)	(339)	(342)	—
Cash flows from tax on share based payments		(4)	9	(4)	9
Cash generated from/(used in) operations		24,224	16,960	(7,061)	20,393
Interest paid		(479)	(1,196)	(318)	(246)
Tax paid		(3,397)	(2,697)	(2,393)	(2,097)
Net cash generated from/(used in) operating activities		20,348	13,067	(9,772)	18,050
Cash flows from investing activities					
Disposal of subsidiaries net of cash	11	22,792	400	—	—
Proceeds from sale of group entity	11	—	—	23,345	—
Disposal of business operations		—	4,144	—	—
Deferred consideration received		250	250	—	—
Cash flows for adjusting items – investing activities		(43)	(151)	(43)	(151)
Purchase of property, plant and equipment		(440)	(1,047)	—	—
Proceeds from disposal of property, plant and equipment		3,493	103	3,439	—
Purchase of intangible assets		(1,292)	(1,969)	—	—
Net cash generated from/(used in) investing activities		24,760	1,730	26,741	(151)
Cash flows from financing activities					
Dividends paid to owners of the parent		(5,492)	(1,829)	(5,492)	(1,829)
Issue of new shares		340	—	340	—
Share issuance costs		(28)	—	(28)	—
Purchase of shares by ESOT		(371)	(263)	—	—
Payment of lease liabilities		(3,752)	(2,530)	—	—
Cash flows for adjusting items – proceeds on disposal of interest rate swap		1,243	—	1,243	—
Fees relating to new and extended loan facility		—	(191)	—	(191)
Increase in bank loans		—	2,000	—	16,000
Decrease in bank loans		(21,198)	(29,181)	—	(36,181)
Net cash used in financing activities		(29,258)	(31,994)	(3,937)	(22,201)
Net increase/(decrease) in cash and cash equivalents, net of bank overdrafts		15,850	(17,197)	13,032	(4,302)
Cash and cash equivalents, net of bank overdrafts at beginning of the year		3,730	21,426	2,702	7,004
Exchange gain/(loss) on cash and cash equivalents		205	(499)	—	—
Cash classified as held for sale		758	—	—	—
Cash and cash equivalents, net of bank overdrafts at end of the year		20,543	3,730	15,734	2,702
Reconciliation of net cash/(debt)					
Cash and cash equivalents at beginning of the year		7,374	21,426	2,702	7,004
Bank overdrafts at beginning of the year		(3,644)	—	—	—
Bank loans at beginning of the year	19	(20,960)	(49,082)	—	(20,181)
Lease liabilities at beginning of the year		(10,742)	(13,121)	(8,963)	(10,079)
Net debt at beginning of the year		(27,972)	(40,777)	(6,261)	(23,256)
Net increase/(decrease) in cash and cash equivalents, net of bank overdrafts		16,813	(17,696)	13,032	(4,302)
Net repayment in bank loans		21,198	27,181	—	20,181
Exchange (loss)/gain on bank loans		(238)	941	—	—
Movement in lease liabilities		3,232	2,379	2,738	1,116
Cash and cash equivalents at end of the year		19,785	7,374	15,734	2,702
Cash classified as held for sale at end of the year	20	758	—	—	—
Bank overdrafts at end of the year		—	(3,644)	—	—
Bank loans at end of the year	19	—	(20,960)	—	—
Lease liabilities at end of the year		(7,510)	(10,742)	(6,225)	(8,963)
Net cash/(debt) at end of the year		13,033	(27,972)	9,509	(6,261)

The notes on pages 76 to 108 are an integral part of these consolidated financial statements.

Financial statements– Wilmington plc 30 June 2022

Notes to the financial statements

General information

The Company is a public company limited by shares, incorporated and domiciled in the UK. The address of its registered office is 10 Whitechapel High Street, London E1 8QS.

The Company is listed on the Main Market on the London Stock Exchange. The Company is a provider of data, information, education and training in the global Governance, Risk and Compliance (GRC) markets.

1. Statement of accounting policies

The significant accounting policies applied in preparing the financial statements are outlined below. These policies have been consistently applied for all the years presented, unless otherwise stated.

a) Basis of preparation

The consolidated and Company financial statements have been prepared in accordance with UK adopted international accounting standards (UK adopted IAS).

The consolidated financial statements have been prepared under the historical cost convention, except in respect of certain financial instruments that have been measured at fair value. The consolidated financial statements are presented in Sterling, the functional currency of Wilmington plc, the parent company. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

Pursuant to Section 408 of the Companies Act 2006 the Company's own income statement and statement of other comprehensive income are not presented separately in the Company financial statements, but they have been approved by the Board.

Going concern

The Directors have performed a detailed viability assessment to consider the future prospects of the Group, taking into account a range of severe but plausible scenarios that could cause disruption and impact viability. As disclosed in the Strategic report, this assessment concludes that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the viability assessment period.

The Group has also performed a detailed analysis to support the use of the going concern basis in preparing its consolidated financial statements for the year ended 30 June 2022, covering an assessment period ended 30 September 2023.

Going concern assessment process

Management prepared forecasts for the assessment period to provide a 'base case' scenario, considered to reflect the most likely outcome based on detailed analysis of current trading, expected future trends, and potential impact of known risks. The results of this base case scenario modelling demonstrate adequate resources to continue in operational existence and meet liabilities as they fall due at all relevant testing dates. The subsequent analysis focussed on applying 'reverse stress testing' to the base case to demonstrate the conditions under which a threat to business continuity could materialise.

All scenarios modelled in the stress testing exercise demonstrated that the Group remains in a net cash position throughout the going concern forecast period, and it is therefore not considered plausible for the Group to be in a scenario where it was unable to meet its liquidity needs. The review therefore focussed on other potential scenarios that would create a going concern risk, being scenarios in which banking covenants were breached. The reverse stress testing exercise demonstrated that there would need to be a significant and sustained drop in the Group's profitability in combination with an associated demand for cash requiring the use of the revolving credit facility, to trigger a covenant breach. To determine the likelihood of this scenario occurring, extreme downside assumptions were applied to the base case as follows:

- cancellation of flagship events;
- significant customer disruption causing material revenue loss; and
- significant inflationary pressures and supply disruption with associated material cost impact.

The application of these downside assumptions did not trigger a net debt scenario or the associated cash requirement need to make use of the revolving credit facility at any relevant testing date. The Board therefore does not consider it plausible for a covenant breach to occur within the assessment period. To gain further assurance over this conclusion, it has however, considered a range of mitigative actions that could be applied to protect the Group's position as follows:

- reduce controllable costs, for example, discretionary reward, recruitment freezes and travel restrictions;
- optimise working capital by negotiating longer payment terms whilst continuing to pay suppliers in full;
- limit capital expenditure on new product development; and
- implement strategic action in respect of the Group's asset base.

Based on the assessment performed, together with the performance of the Group to date in the financial year ended 30 June 2022, the Directors consider that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the going concern assessment period. Accordingly the Directors have concluded that it was appropriate to adopt the going concern basis in preparing the financial statements.

Financial statements– Wilmington plc 30 June 2022

b) New standards and interpretations

There was no material impact from the adoption of any new standards or interpretations in the year ended 30 June 2022, including:

International Financial Reporting Standards (IFRS/IAS)	Description	Effective for accounting periods starting after
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendment to IFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

New standards and interpretations not yet effective

Amended standards and interpretations not yet effective are not expected to have a material impact on the Group's consolidated financial statements for the year ended 30 June 2023.

c) Critical accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for income and expenses during the year and that affect the amounts reported for assets and liabilities at the reporting date. At the 2022 annual reporting date there are no critical accounting judgments or significant estimation uncertainties.

d) Basis of consolidation

The Group's consolidated financial statements incorporate the results and net assets of Wilmington plc and all its subsidiary undertakings made up to 30 June each year. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

They are deconsolidated from the date that control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All inter-group transactions, balances, income and expenses are eliminated on consolidation; however, for the purposes of segmental reporting, internal arm's length recharges are included within the appropriate segments.

e) Business combinations

The acquisition method of accounting is applied in accounting for the acquisition of subsidiaries. The acquiree's identifiable assets and liabilities are recognised at their fair value at the acquisition date. Goodwill arising on acquisition is recognised as an asset and measured at cost, representing the excess of the aggregate of the consideration, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the fair values of the identifiable assets and liabilities at the date of acquisition. The consideration is measured at fair value, which is the aggregate of the fair values of the assets transferred, liabilities incurred or assumed and the equity instruments issued in exchange for control of the acquiree.

f) Impairment of non-financial assets

Intangible assets with finite useful lives and property, plant and equipment are tested for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When an impairment test is performed, the recoverable amount of the asset is assessed and its carrying amount is reduced to that amount if lower, and any impairment losses are recognised in the income statement. The recoverable amount is the higher of the value in use and of the fair value less costs to sell, where the value in use is the present value of the future cash flows expected to be derived from the asset.

If, in a subsequent period, the amount of the impairment loss decreases due to a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. The reversal of an impairment loss is recognised in the income statement.

Goodwill is not amortised, but it is reviewed for impairment at least annually. Goodwill is allocated to cash generating units ('CGUs') for the purpose of impairment testing, so that the value in use is determined by reference to the discounted cash flows of the CGU. The cash flows considered are the expected pre-tax cash flows of the CGU, for projections over a three year period extrapolated using estimated long term growth rates. The recoverable amount of the CGU, as for any asset, is the higher of the value in use and the fair value less costs to sell. If a CGU is impaired, the impairment losses are allocated firstly against goodwill, and then on a pro-rata basis against intangible and other assets. An impairment of goodwill cannot be reversed.

g) Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Sterling, which is the Company's functional and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of transactions and the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are recognised in the income statement.

On consolidation, assets and liabilities of foreign undertakings are translated into Sterling at year end exchange rates. The results of foreign undertakings are translated into Sterling at average rates of exchange for the year (unless this average is not a reasonable approximation of the cumulative effects of the rates prevailing on the transaction dates, in which case income and

Financial statements– Wilmington plc 30 June 2022

expenses are translated at the dates of the transactions). Foreign exchange differences arising on retranslation are recognised directly in a separate component of equity, the translation reserve.

In the event of the disposal of an undertaking with assets and liabilities denominated in a foreign currency, the cumulative translation difference in the translation reserve that is associated with the undertaking is charged or credited to the gain or loss on disposal recognised in the income statement.

Further information is provided in the financial instruments accounting policy in relation to loans and borrowings in foreign currencies that are designated as a hedge of a net investment in a foreign operation.

h) Revenue

Revenue is measured at the transaction price and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

The Group's revenue comprises different types of product and services across the two divisions as follows:

- Subscription income for online services, information and journals is normally received in advance and is therefore recorded as deferred revenue on the balance sheet. Revenue is then recognised evenly over time as the performance obligations are satisfied over the term of the subscription. These revenue streams relate to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Revenue is recognised on the sale of training material, research projects and similar publications once the product has been delivered to the customer. These revenue streams relate to one performance obligation that is settled at a point in time as Wilmington has a right to payment once control of the asset is transferred to the customer.
- Advertising in hard copy publications is recognised on the issue of the related publication. This revenue stream relates to one performance obligation that is settled at a point in time as Wilmington has a right to payment once the advertising is published in the hard copy publication.
- Marketing and advertising services revenues are recognised over the period of the advertising subscription or over the period when the marketing service is provided. When payment is received in advance it is recorded on the balance sheet as deferred revenue and revenue is then recognised over time as the performance obligations are satisfied over the term of the contract. These revenue streams relate to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Revenue from the licence of static data reports is recognised once the data has been delivered to the customer. This revenue stream relates to one performance obligation that is settled at a point in time as Wilmington has a right to payment once control of the asset is transferred to the customer.
- Revenue from the licence of static data reports where the customer has access to the data for a finite period of time and the reports have significant updates during that period is recognised over the period of the contract. When payment is received in advance it is recorded on the balance sheet as deferred revenue and revenue is then recognised over time as the performance obligations are satisfied over the term of the contract. This revenue stream relates to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Revenue from licences to dynamic data that is updated on an ongoing basis is recognised over the period of the contract. When payment is received in advance it is recorded on the balance sheet as deferred revenue and revenue is then recognised over time as the performance obligations are satisfied over the term of the contract. This revenue stream relates to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Revenue from training courses where the training is delivered as an ongoing process is recognised on a straight line basis over the period that the training is provided to the customer. When payment is received in advance it is recorded on the balance sheet as deferred revenue and revenue is then recognised over time as the performance obligations are satisfied over the term of the contract. This revenue stream relates to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Revenue from training courses where the Group provides in-house training to corporate customers is recognised on completion of the training course. This revenue stream relates to one performance obligation that is settled at a point in time as Wilmington has a right to payment once the service has been delivered to the customer.
- Revenue from the memberships of professional organisations is recognised on a straight line basis over the period of membership. When payment is received in advance it is recorded on the balance sheet as deferred revenue and revenue is then recognised over time as the performance obligations are satisfied over the term of the contract. This revenue stream relates to one performance obligation that is settled over time using the outputs method on a straight line basis as the customer simultaneously receives and consumes the benefit from the service.
- Event revenue (including revenue from conferences) typically includes attendee fees, event sponsorship and advertising and is recognised when the event is held. Customers and sponsors are often required to pay in advance before commencement of the event, and these advance receipts are recognised as deferred revenue on the balance sheet from the point at which they become due. This revenue stream relates to one performance obligation that is settled at a point in time as Wilmington has a right to payment once the service has been delivered to the customer.

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Deferred revenue represents consideration received for performance obligations not yet satisfied, the revenue deferred at the current financial year end is expected to be recognised in the following financial year.

i) Operating expenses

In accordance with IAS 1 paragraph 102, expenses are presented in the accounts based on their nature. Operating expenses comprise cost of sales and administrative costs. Distribution costs are not separately identified due to the digital nature of the Group's products as they are considered immaterial. Costs of sales are all direct costs, including third-party costs and staff costs, associated directly with the production of a product, event or service and are charged to the income statement as incurred. At each reporting date a prepayment is recognised for any third-party costs which are paid for in advance of the relevant event being run except in relation to marketing costs. Administrative costs are additional operational costs that are not directly associated with the production of a product, event or service. These include expenses relating to central administrative and management functions and are expensed to the income statement as incurred.

j) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Board which is considered as the Group's chief operating decision maker and is responsible for allocating resources and assessing performance of the operating segments. The two divisions (Training & Education and Intelligence) are the Group's segments and generate all of the Group's revenue. The Executive Board considers the business from both a geographic and product perspective. Geographically, management considers the performance of the Group between the UK, Europe (excluding the UK), North America and the Rest of the World.

k) Adjusting items

The Group's income statement separately identifies adjusting items. Such items are those that in the Directors' judgment are one off in nature and need to be disclosed separately by virtue of their size and incidence. In determining whether an item or transaction should be classified as an adjusting item, the Directors consider quantitative as well as qualitative factors such as the frequency, predictability of occurrence and significance.

This focus on quantitative and qualitative factors may result in the classification of an item as adjusting, where one of apparently similar nature is not. The Group distinguishes between restructuring costs that are recurring and those that relate to one off or transformational Group programmes that impact many operations. Recurring restructuring costs that are incurred in the normal course of business are recorded as part of the Group's underlying trading results within profit before tax. Restructuring costs that are one off and individually material or relate to programmes linked to the Group's wider transformation and require approval at executive level are disclosed separately in the Consolidated income statement. When these adjusting items relate to a transformational programme to the business, the cost may apply to multiple years.

This is consistent with the way that financial performance is measured by management and reported to the Board. Adjusting items may not be comparable to similarly titled measures used by other companies. Disclosing adjusted items separately provides additional understanding of the performance of the Group.

l) Current and deferred tax

Current and deferred tax is recognised as income or an expense and included in the income statement for the period, except to the extent that it relates to items recognised directly in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or equity, respectively.

The tax effect of adjusting items is calculated by applying the relevant prevailing rate of taxation to the adjusting expense or income to the extent it is taxable or tax deductible.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

m) Dividends

Dividend distributions are recognised in the consolidated financial statements when the shareholders' right to receive payment is established. Final dividend distributions are recognised in the period in which they are approved by the shareholders, whilst interim dividend distributions are recognised in the period in which they are declared and paid.

n) Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation.

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Intangible assets are recorded at cost and are amortised through the income statement on a straight line basis over their estimated useful lives. Their estimated useful lives depend on the classification of the assets as follows:

Computer software	20–33% per annum
Databases	8–20% per annum
Customer relationships	8–33% per annum
Brands	5–20% per annum
Publishing rights and titles	5–10% per annum

Computer software that is integral to a related item of hardware is classified as computer equipment within property, plant and equipment. Other computer software and internally developed software and databases are classified as intangible assets if they meet the definition and recognition criteria set out in IAS 38. Costs associated with the production of internally developed software are capitalised once it is probable that they will generate future economic benefits and satisfy the other criteria set out in IAS 38. Computer software intangible assets (including the cost of internally developed software and databases) are initially recognised at cost. They are subsequently amortised through the income statement on a straight line basis over their estimated useful lives up to five years. Assets that are not in use at the reporting date (assets under construction) are recognised at cost and amortisation commences when those assets begin to generate economic benefit.

o) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation. Cost includes the original purchase price of the asset plus any costs of bringing the asset to its working condition for its intended use. Depreciation is not provided on freehold land. On other assets it is provided at the following annual rates, on a straight line basis, in order to write down each asset to its residual value over its estimated useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Land, freehold and leasehold buildings (excluding freehold land)	2–10% per annum
Fixtures and fittings	10–33% per annum
Computer equipment	25–33% per annum
Motor vehicles	25% per annum

Leasehold improvements are included in land, freehold and leasehold buildings.

Gains and losses arising on disposal are determined by comparing the proceeds with the carrying amount and are recognised within the income statement. When the gain or loss arising on disposal is significant or material, it is disclosed separately on the income statement within other income or expenses.

p) Investments in subsidiaries

Investments in subsidiaries are stated at cost less provision for any impairment in value.

q) Non-current assets and disposal groups held for sale

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

r) Financial instruments

Financial assets

The Group classifies its non-derivative financial assets as 'amortised cost' for the purposes of IFRS 9. Management determines the classification at initial recognition and re-evaluates this designation at each reporting date.

Loans and other receivables

Loans and other receivables are measured based on the Group's business model for managing the financial asset and its contractual cash flow characteristics. Loans and other receivables are initially recognised at fair value plus transaction costs. They are subsequently carried at amortised cost using the effective interest method less any expected credit losses, with changes in carrying value recognised in the income statement.

Loans and other receivables are classified as current assets if they mature within twelve months of the reporting date, but are otherwise classified as non-current assets.

Trade receivables

Trade receivables are initially recognised at the transaction price, which is usually the invoiced amount. They are subsequently carried at amortised cost using the effective interest method (if the time value of money is significant), less provisions made for doubtful receivables. Provisions are made specifically, where there is evidence of a risk of non-payment taking into account ageing, previous losses experienced and general economic conditions.

The Group assesses for impairment using the expected credit losses model as required by IFRS 9. For trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from the initial recognition of the receivables.

The Group measures its trade receivables at amortised cost for the purposes of IFRS 9.

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Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current balances with banks and similar institutions, and other short term highly liquid investments which are subject to insignificant risk of changes in value and have original maturities of three months or less. Cash and cash equivalents are offset against bank overdrafts and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts. Bank overdrafts are otherwise shown as borrowings within current liabilities on the balance sheet.

The Group measures cash and cash equivalents at amortised cost for the purposes of IFRS 9.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and debt instruments at fair value through other comprehensive income. Expected credit losses are updated at each reporting date to reflect changes in credit risk.

The expected credit loss is based on the Group's historical credit loss experience, adjusted for factors that are specific to the financial assets, general economic conditions and an assessment of the current and forecast conditions at the reporting date.

Financial liabilities

Trade and other payables

Trade and other payables are initially recognised at fair value, which is usually the invoiced amount. They are subsequently carried at amortised cost using the effective interest method (if the time value of money is significant).

If due within twelve months or less, the trade or other payable is classified as a current liability. It is otherwise classified as a non-current liability.

The Group measures trade and other payables at amortised cost for the purposes of IFRS 9.

Loans and other borrowings

Loans and other borrowings are initially recognised at the fair value of the amounts received net of transaction costs. They are subsequently carried at amortised cost using the effective interest method, with changes in carrying value recognised in the income statement.

Further information is provided below in relation to loans and borrowings in foreign currencies that are designated as a hedge of a net investment in a foreign operation.

Loans and other borrowings are classified as current liabilities if they mature within twelve months of the balance sheet date, but are otherwise classified as non-current liabilities.

The Group measures loans and other borrowings at amortised cost for the purposes of IFRS 9.

Financial instruments and hedge accounting

The Group manages its capital and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Group makes use of derivative financial instruments if doing so reduces exposure to interest rate risk and foreign currency risk.

To qualify for hedge accounting under IFRS 9, a financial instrument must be designated as a hedging instrument at inception, hedge documentation must be prepared and the hedge must be expected to be effective using the hedge ratio. The effectiveness of the hedge is then tested at each reporting date prospectively, and hedge accounting is continued if the hedge remains effective. Hedge accounting is discontinued when the hedging instrument expires, or is sold or terminated or no longer qualifies for hedge accounting, or if the Group chooses to end the hedge relationship.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges and net investment hedges are recognised in other comprehensive income. Any ineffectiveness in the hedge relationship is recognised immediately in the income statement.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in equity is reclassified to the income statement. If a forecast transaction is no longer expected to occur, any related gain or loss recognised in other comprehensive income and equity is transferred immediately to the income statement. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued.

s) Provisions

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle it. If the effect is material, provisions are determined by discounting the expected future cash flows at an appropriate discount rate.

t) Retirement benefits

The Group does not operate a defined benefit pension scheme.

The Group contributes to defined contribution pension schemes for a number of employees. Contributions to these arrangements are charged in the income statement in the period in which they are incurred. The Group has no further payment obligation once the contributions have been paid.

u) Share based payments

The Group operates an equity-settled, share based compensation plan, under which the entity receives services from employees as consideration for equity instruments (share awards and options) of the Group. The fair value of the employee services received

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in exchange for the grant of share awards and options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the share awards and options granted, excluding the impact of any non-market service and performance vesting conditions (for example profitability and remaining as an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of share awards and options that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each balance sheet date, the entity revises its estimates of the number of share awards and options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to the share based payments reserve within equity.

The payment in lieu of dividend payable in connection with the grant of the share awards is considered an integral part of the grant itself, and the charge will be treated as an equity-settled transaction. The cumulative share based payment charge held in reserves is recycled into retained earnings when the share awards or options lapse or are exercised. The social security contributions payable in connection with the grant of the share awards will be treated as a cash-settled transaction.

v) Leases

The Group recognises a right-of-use asset and corresponding liability at the date the leased asset is made available for use by the Group.

The liability is measured at the present value of future lease payments over the lease term including fixed payments, in-substance fixed payments, and variable lease payments that are based on an index or a rate, less any lease incentives receivable. The liability includes any payments to be made under extension options which are reasonably certain to be exercised. The lease payments are discounted using the interest rate implicit in the lease; where this rate cannot be determined an incremental borrowing rate is used. The incremental borrowing rate is determined with reference to the rate that the lessee would pay to borrow the funds necessary to obtain an asset of similar value, in a similar economic environment, with similar terms and conditions, adjusted for the country-specific risk of the lessee. The Group records an interest charge in respect of the lease liability over the lease term.

The right-of-use asset is measured at cost, based on the value of the initial measurement of the associated lease liability, adjusted for any lease payments already made less any lease incentives received, initial direct costs incurred, and any dilapidation or restoration costs required by the terms and conditions of the lease. The right-of-use asset is depreciated over the term of the lease on a straight line basis, or if shorter, over the leased asset's useful economic life.

When an adjustment to lease payments based on an index or rate takes effect, the liability is remeasured with a corresponding adjustment to the associated right-of-use asset.

The Group recognises an expense in the Consolidated income statement in respect of short term leases (being those with an initial term of twelve months or less) and leases of low-value items on a straight line basis over the life of the lease.

w) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. The share premium reserve represents the amount paid to the Company by shareholders above the nominal value of shares issued.

Where any Group company purchases the Company's equity share capital ('treasury shares'), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.

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2. Measures of profit

Reconciliation to profit on continuing activities before tax

To provide shareholders with additional understanding of the trading performance of the Group, adjusted EBITA has been calculated as profit before tax after adding back:

- impairment of goodwill, intangible assets and property, plant and equipment;
- amortisation of intangible assets excluding computer software;
- adjusting items (included in operating expenses);
- other income – gain on disposal of subsidiaries;
- other income – gain on disposal of business operations;
- other income – gain on disposal of property, plant and equipment;
- other income – net gain on financing activities; and
- net finance costs.

Adjusted profit before tax, adjusted EBITA and adjusted EBITDA reconcile to profit on continuing activities before tax as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Profit/(loss) before tax	36,120	(2,025)
Impairment of goodwill, intangible assets and property, plant and equipment	597	14,834
Amortisation of intangible assets excluding computer software	2,368	3,400
Adjusting items (included in operating expenses)	66	2,970
Other income – gain on disposal of subsidiaries	(16,329)	(770)
Other income – gain on disposal of business operations	—	(3,394)
Other income – gain on disposal of property, plant and equipment	(1,289)	—
Other income – net gain on financing activities	(840)	—
Adjusted profit before tax	20,693	15,015
Net finance costs	928	1,634
Adjusted operating profit ('adjusted EBITA')	21,621	16,649
Depreciation of property, plant and equipment included in operating expenses	2,412	3,399
Amortisation of intangible assets – computer software	3,721	2,416
Adjusted EBITA before depreciation ('adjusted EBITDA')	27,754	22,464

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3. Segmental information

In accordance with IFRS 8 the Group's operating segments are based on the operating results reviewed by the Executive Board, which represents the chief operating decision maker.

The Group's dynamic portfolio provides customers with a range of information, data, training and education solutions. During the year the Information & Data division was renamed to Intelligence. The two divisions (Training & Education and Intelligence) are the Group's segments and generate all of the Group's revenue. The Board considers the business from both a geographic and product perspective. Geographically, management considers the performance of the Group between the UK, Europe (excluding the UK), North America and the Rest of the World.

a) Business segments

	Revenue Year ended 30 June 2022 £'000	Profit Year ended 30 June 2022 £'000	Revenue Year ended 30 June 2021 £'000	Profit Year ended 30 June 2021 £'000
Training & Education	61,464	15,998	56,211	12,197
Intelligence	59,564	11,359	56,816	9,320
Group total	121,028	27,357	113,027	21,517
Unallocated central overheads	—	(4,506)	—	(4,302)
Share based payments	—	(1,230)	—	(566)
	121,028	21,621	113,027	16,649
Impairment of goodwill, intangible assets and property, plant and equipment		(597)		(14,834)
Amortisation of intangible assets excluding computer software		(2,368)		(3,400)
Adjusting items (included in operating expenses)		(66)		(2,970)
Other income – gain on disposal of subsidiaries		16,329		770
Other income – gain on disposal of business operations		—		3,394
Other income – gain on disposal of property, plant and equipment		1,289		—
Other income – net gain on financing activities		840		—
Net finance costs		(928)		(1,634)
Profit/(loss) before tax		36,120		(2,025)
Taxation		(3,295)		(2,522)
Profit/(loss) for the financial year		32,825		(4,547)

There are no intra-segmental revenues which are material for disclosure. Unallocated central overheads represent central costs that are not specifically allocated to segments. Total assets and liabilities for each reportable segment are not presented; as such, information is not provided to the Board.

b) Segmental information by geography

The UK is the Group's country of domicile and the Group generates the majority of its revenue from external customers in the UK. The geographical analysis of revenue is on the basis of the country of origin in which the customer is invoiced:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
UK	64,320	61,999
Europe (excluding the UK)	25,809	23,304
North America	21,727	15,042
Rest of the World	9,172	12,682
Total revenue	121,028	113,027

Included within North America is revenue of £21,304,000 generated within the USA.

c) Timing of revenue recognition

The timing of the Group's revenue recognition is as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Revenue from products and services transferred at a point in time	39,725	41,583
Revenue from products and services transferred over time	81,303	71,444
Total revenue	121,028	113,027

During the year the Group recognised £30,124,000 of revenue that was held in deferred revenue at 30 June 2021 (2021: £31,465,000 related to amounts held at 30 June 2020).

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4. Profit/(loss) from continuing operations

a) Profit/(loss) for the year from continuing operations is stated after charging/(crediting):

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Depreciation of property, plant and equipment – included in operating expenses	2,412	3,399
Short term and low-value leases	114	486
Amortisation of intangible assets – computer software	3,721	2,416
Non-adjusting (profit)/loss on disposal of property, plant and equipment	(71)	2
Share based payments (including social security costs)	1,230	566
Amortisation of intangible assets excluding computer software	2,368	3,400
Adjusting items (included in operating expenses)	66	2,970
Adjusting item – gain on disposal of subsidiaries	(16,329)	(770)
Adjusting item – gain on disposal of business operations	—	(3,394)
Adjusting item – gain on sale of property, plant and equipment	(1,289)	—
Adjusting item – net gain on financing activities	(840)	—
Research and development expenditure credit	(183)	(290)
Impairment of goodwill, intangible assets and property, plant and equipment	597	14,834
Foreign exchange loss/(gain)	446	(24)
Fees payable to the auditor for the audit of the Company and consolidated financial statements	107	95
Fees payable to the auditor and their associates for other services:		
– The audit of the Company's subsidiaries pursuant to legislation	205	182
– Audit related other services	15	15

The gain on sale of property, plant and equipment included in adjusting items relates to the gain on disposal of two buildings and their associated assets on 31 August 2021.

b) Adjusting items

The following items have been charged to the income statement during the year but are considered to be adjusting so are shown separately:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Costs relating to strategic activities	66	1,128
Costs relating to the consolidation of office space	—	1,842
Other adjusting items (included in operating expenses)	66	2,970
Impairment of goodwill, intangible assets and property, plant and equipment	597	14,834
Amortisation of intangible assets excluding computer software	2,368	3,400
Total adjusting items (classified in profit before tax)	3,031	21,204

The impairment of goodwill, intangible assets and property, plant and equipment relates to:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Goodwill	—	9,873
Intangible assets	—	1,516
Property, plant and equipment	597	3,445
Total adjusting items (classified in profit before tax)	597	14,834

The impairment during the year relates to the impairment of assets associated with an office property, recognised as a result of an exercise performed to consolidate the Group's office space.

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5. Operating expenses

	Year ended 30 June 2022			Year ended 30 June 2021		
	Cost of sales £'000	Administration £'000	Total £'000	Cost of sales £'000	Administration £'000	Total £'000
Operating expenses before depreciation and amortisation	88,746	4,528	93,274	86,167	4,396	90,563
Depreciation of property, plant and equipment	2,412	—	2,412	3,399	—	3,399
Amortisation of intangible assets – computer software	3,721	—	3,721	2,416	—	2,416
Operating expenses before amortisation of intangibles excluding computer software, impairment and adjusting items	94,879	4,528	99,407	91,982	4,396	96,378
Amortisation of intangible assets – databases	187	—	187	826	—	826
Amortisation of intangible assets – customer relationships	1,016	—	1,016	1,052	—	1,052
Amortisation of intangible assets – brands	660	—	660	1,016	—	1,016
Amortisation of intangible assets – publishing rights and titles	505	—	505	506	—	506
Impairment of goodwill, intangible assets and property, plant and equipment (note 4b)	—	597	597	—	14,834	14,834
Other adjusting items (note 4b)	—	66	66	—	2,970	2,970
Operating expenses	97,247	5,191	102,438	95,382	22,200	117,582

6. Net finance costs

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Net finance costs comprise:		
Interest payable on bank loans and overdrafts	748	1,437
Unwinding of the discount on royalty payments receivable	(113)	(139)
Notional interest on lease liabilities	293	336
	928	1,634

7. Taxation

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Current tax		
UK corporation tax at current rates on UK profits for the year	2,817	2,327
Adjustments in respect of previous years	(870)	30
	1,947	2,357
Foreign tax	969	993
Adjustments in respect of previous years	—	(21)
Total current tax	2,916	3,329
Total deferred tax	379	(807)
Taxation	3,295	2,522

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Factors affecting the tax charge for the year:

The effective tax rate is lower (2021: higher) than the average rate of corporation tax in the UK of 19.0% (2021: 19.0%). The differences are explained below:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Profit/(loss) before tax	36,120	(2,025)
Profit/(loss) before tax multiplied by the average rate of corporation tax in the year of 19.0% (2021: 19.0%)	6,863	(385)
Tax effects of:		
Impairment of goodwill, intangible assets and property, plant and equipment	113	2,818
Foreign tax rate differences	201	177
Adjustment in respect of previous years	(870)	9
Other items not subject to tax	(3,012)	(230)
Effect on deferred tax of change of corporation tax rate	—	133
Taxation	3,295	2,522

Deferred tax assets and liabilities are measured at the rates that are expected to apply in the periods of the reversal.

The Company's profits for this accounting year are taxed at an effective rate of 9.1% (2021: -125.0%).

Included in other comprehensive income are a tax charge of £nil (2021: £22,000) and a tax credit of £45,000 (2021: charge of £179,000) relating to the interest rate swaps and net investment hedges respectively.

The tax effect of adjusting items as disclosed in note 9 is a credit of £1,050,000 (2021: £558,000).

8. Dividends

Amounts recognised as distributions to owners of the parent in the year:

	Year ended 30 June 2022 Pence per share	Year ended 30 June 2021 Pence per share	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Final dividends recognised as distributions in the year	3.9	—	3,399	—
Interim dividends recognised as distributions in the year	2.4	2.1	2,093	1,829
Total dividends paid			5,492	1,829
Final dividend proposed	5.8	3.9	5,070	3,415

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9. Earnings/(loss) per share

Adjusted earnings per share has been calculated using adjusted earnings calculated as profit after taxation attributable to owners of the parent but before:

- impairment of goodwill, intangible assets and property, plant and equipment;
- amortisation of intangible assets excluding computer software;
- adjusting items (included in operating expenses);
- other income – gain on disposal of subsidiaries;
- other income – gain on disposal of business operations;
- other income – gain on disposal of property, plant and equipment; and
- other income – net gain on financing activities.

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Earnings/(loss) from continuing operations for the purpose of basic earnings per share	32,825	(4,547)
Add/(remove):		
Impairment of goodwill, intangible assets and property, plant and equipment	597	14,834
Amortisation of intangible assets excluding computer software	2,368	3,400
Adjusting items (included in operating expenses)	66	2,970
Other income – gain on disposal of subsidiaries	(16,329)	(770)
Other income – gain on disposal of business operations	—	(3,394)
Other income – gain on disposal of property, plant and equipment	(1,289)	—
Other income – net gain on financing activities	(840)	—
Tax effect of adjustments above	(1,050)	(558)
Adjusted earnings for the purposes of adjusted earnings per share	16,348	11,935
	Number	Number
Weighted average number of ordinary shares for the purposes of basic and adjusted earnings per share	87,632,022	87,603,917
Effect of dilutive potential ordinary shares:		
Future exercise of share awards and options	1,126,918	410,301
Weighted average number of ordinary shares for the purposes of diluted and adjusted diluted earnings per share	88,758,940	88,014,218
Basic earnings/(loss) per share	37.46p	(5.18p)
Diluted earnings/(loss) per share	36.98p	(5.18p)
Adjusted basic earnings per share ('adjusted earnings per share')	18.66p	13.62p
Adjusted diluted earnings per share	18.42p	13.56p

For the year ended 30 June 2021, potentially dilutive share options were only considered in relation to adjusted earnings per share as the Group made a basic loss per share.

10. Results of Wilmington plc

Wilmington plc, the parent company, recorded a profit of £14,959,000 (2021: £37,865,000) during the year.

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11. Disposals

In the year ended 30 June 2022 the Group disposed of the following subsidiary companies:

	Country	Date of disposal	Share/asset deal
Adkins & Matchett (UK) Limited	UK	December 2021	Share deal
Adkins, Matchett & Toy Limited	USA	December 2021	Share deal
Adkins, Matchett & Toy (Hong Kong) Limited	Hong Kong	December 2021	Share deal
La Touche Bond Solon Training Limited	Ireland	April 2022	Share deal

The disposals were executed in line with the Group's strategy to simplify its structure and to focus attention on businesses that operate in the GRC markets. The subsidiary businesses were classified as continuing operations until their respective disposal dates. In total the Group recognised a gain on disposal of £16,329,000 presented within adjusting items.

a) Disposal of subsidiary companies - Adkins & Matchett (UK) Limited, Adkins, Matchett & Toy Limited and Adkins, Matchett & Toy (Hong Kong) Limited, together referred to as 'AMT'

On 24 December 2021 Wilmington plc disposed of AMT for a net cash consideration of £22,631,000 and recognised a gain on disposal of £16,224,000. The disposal was executed by way of the sale of 100% of the equity shares and as at the disposal date the net assets of AMT were as follows:

	£'000
Goodwill	6,203
Property, plant and equipment	41
Trade and other receivables	898
Cash and cash equivalents	475
Trade and other payables	(1,112)
Net assets disposed	6,505
Directly attributable costs of disposal	342
Recycling of deferred foreign exchange losses	35
Gain on disposal	16,224
Fair value of consideration	23,106

Satisfied by:

Cash and cash equivalents	23,106
	23,106

b) Disposal of subsidiary company - La Touche Bond Solon Training Limited

On 22 April 2022 Wilmington plc disposed of La Touche Bond Solon Training Limited for a net cash consideration of £161,000 and recognised a gain on disposal of £105,000. The disposal was executed by way of the sale of 100% of the equity shares. As at the disposal date, the net assets of La Touche Bond Solon Training Limited were as follows:

	£'000
Goodwill	34
Property, plant and equipment	9
Trade and other receivables	106
Cash and cash equivalents	78
Trade and other payables	(138)
Net assets disposed	89
Directly attributable costs of disposal	22
Recycling of deferred foreign exchange losses	23
Gain on disposal	105
Fair value of consideration	239

Satisfied by:

Cash and cash equivalents (net of working capital adjustment)	239
	239

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12. Goodwill

	£'000
Cost	
At 1 July 2020	110,597
Disposals	(1,192)
Exchange translation differences	(1,309)
At 30 June 2021	108,096
Disposals	(8,935)
Exchange translation differences	1,532
At 30 June 2022	100,693
Accumulated impairment	
At 1 July 2020	32,721
Disposals	(331)
Impairment	9,873
At 30 June 2021	42,263
Disposals	(2,698)
At 30 June 2022	39,565
Net book amount	
At 30 June 2022	61,128
At 30 June 2021	65,833
At 30 June 2020	77,876

Goodwill arising on business combinations is not amortised but reviewed for impairment on an annual basis, or more frequently if there are indications that goodwill may be impaired. Determining whether the carrying value of acquired goodwill is recoverable is a significant judgment given the material nature of the goodwill balance and the significant assumptions underpinning management's impairment assessment of the Group's cash generating units ('CGUs'). The Group identifies its CGUs on a business operation and geographic level. This is consistent with the way the chief operating decision maker reviews performance.

Disposal

During the year AMT and La Touche Bond Solon Training Limited was disposed of, which resulted in the disposal of the carrying value of goodwill associated with both entities. At the date of disposal the carrying value of this goodwill was £6,237,000.

Annual impairment review

The recoverable amount for each CGU has been determined using value in use calculations. These calculations use the pre-tax future cash flow forecasts covering a three year period based on Board approved budgets. Cash flow projections in these budgets have been based on growth assumptions that reflect anticipated market trends in the range of industries served by the brands within each CGU. Overall these projections assume stable profit margins reflecting market presence expansion, whilst managing the impact of projected inflationary and recessionary pressures. Pre-tax cash flows beyond the three year period are then extrapolated using an estimated long term growth rate of 2.0% (2021: 2.0%), providing a 'base case' scenario for the purpose of the impairment review. Key assumptions for the value in use calculations are those regarding discount rates, three year cash flow forecasts and long term growth rates.

Discount rates

Management has applied pre-tax discount rates as follows:

Territory	Year ended 30 June 2022 %	Year ended 30 June 2021 %
United Kingdom	15.2	11.8
United States	15.7	12.9
Spain	15.4	12.4
France	15.8	12.6

Pre-tax discount rates are calculated on a company specific participant basis; movements in the pre-tax discount rates for CGUs since the prior year are driven by changes in company specific market-based inputs. Management considers the pre-tax discount rates to be calculated using appropriate methodology. The rates are in line with its peers, and the Board views the rates as accurately reflecting the return expected by a market participant.

Sensitivity to changes in assumptions

The Group has performed sensitivity testing to assess the impact of changes in assumptions on the value in use of each CGU. The sensitivity analysis performed assessed the impact of pessimistic but reasonably possible changes to future cash flows, long term growth rates and pre-tax discount rates. All CGUs retained significant headroom in these sensitised calculations, leading to the conclusion that there is no realistic change of assumption that would result in the carrying value to exceed its recoverable amount.

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Cash generating units

The following table details the net book value of goodwill allocated to each CGU:

CGU	30 June 2022 £'000	30 June 2021 £'000
UK Healthcare	11,885	11,877
Axco and Pendragon	11,150	11,150
Accountancy	8,307	8,307
Legal	6,796	6,830
AMT	—	6,203
Compliance	7,972	7,972
Compliance Week	4,941	4,342
FRA	7,686	6,773
Business Intelligence	2,391	2,379
	61,128	65,833

13. Intangible assets

Group	Computer software £'000	Databases £'000	Customer relationships £'000	Brands £'000	Publishing rights and titles £'000	Total £'000
Cost						
At 1 July 2020	15,438	16,795	25,104	13,857	30,493	101,687
Additions	1,969	—	—	—	—	1,969
Disposals	(2,130)	—	—	—	—	(2,130)
Write-off of fully amortised intangible assets	—	(2,940)	(15,549)	(3,672)	(20,808)	(42,969)
Exchange translation differences	(139)	(90)	(399)	(237)	—	(865)
At 30 June 2021	15,138	13,765	9,156	9,948	9,685	57,692
Additions	1,292	—	—	—	—	1,292
Assets transferred to held for sale (note 20)	(245)	—	—	—	—	(245)
Write-off of fully amortised intangible assets	(9,986)	—	—	—	—	(9,986)
Disposals	(51)	—	—	—	—	(51)
Exchange translation differences	103	105	466	275	—	949
At 30 June 2022	6,251	13,870	9,622	10,223	9,685	49,651
Accumulated amortisation						
At 1 July 2020	10,003	15,496	20,102	8,111	28,263	81,975
Charge for the year	2,416	826	1,052	1,016	506	5,816
Impairment	—	—	—	1,516	—	1,516
Disposals	(2,010)	—	—	—	—	(2,010)
Write-off of fully amortised intangible assets	—	(2,940)	(15,549)	(3,672)	(20,808)	(42,969)
Exchange translation differences	(80)	(70)	(276)	(210)	—	(636)
At 30 June 2021	10,329	13,312	5,329	6,761	7,961	43,692
Charge for the year	3,721	187	1,016	660	505	6,089
Assets transferred to held for sale (note 20)	(210)	—	—	—	—	(210)
Write-off of fully amortised intangible assets	(9,986)	—	—	—	—	(9,986)
Disposals	(26)	—	—	—	—	(26)
Exchange translation differences	48	82	334	201	—	665
At 30 June 2022	3,876	13,581	6,679	7,622	8,466	40,224
Net book amount						
At 30 June 2022	2,375	289	2,943	2,601	1,219	9,427
At 30 June 2021	4,809	453	3,827	3,187	1,724	14,000
At 30 June 2020	5,435	1,299	5,002	5,746	2,230	19,712

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14. Property, plant and equipment

Group	Land, freehold and leasehold buildings £'000	Fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Right-of-use assets Land and buildings £'000	Total £'000
Cost						
At 1 July 2020	5,260	3,705	4,017	377	13,854	27,213
Additions	468	253	326	—	449	1,496
Disposals	—	(774)	(258)	(60)	(109)	(1,201)
Lease modifications	—	—	—	—	(725)	(725)
Assets transferred to held for sale	(2,243)	(17)	—	—	—	(2,260)
Exchange translation differences	(3)	(45)	(35)	—	(191)	(274)
At 30 June 2021	3,482	3,122	4,050	317	13,278	24,249
Additions	—	169	271	—	464	904
Disposals	—	(280)	(127)	(206)	(64)	(677)
Assets transferred to held for sale (note 20)	(67)	(101)	(88)	—	(205)	(461)
Assets transferred from held for sale	162	—	—	—	—	162
Exchange translation differences	—	22	47	—	50	119
At 30 June 2022	3,577	2,932	4,153	111	13,523	24,296
Accumulated depreciation						
At 1 July 2020	1,566	3,054	3,414	191	2,094	10,319
Charge for the year	436	254	421	63	2,225	3,399
Disposals	—	(774)	(159)	(51)	(41)	(1,025)
Lease modifications	—	—	—	—	(337)	(337)
Impairment	523	103	33	—	2,786	3,445
Assets transferred to held for sale	(660)	(12)	—	—	—	(672)
Exchange translation differences	(9)	(84)	(64)	—	—	(157)
At 30 June 2021	1,856	2,541	3,645	203	6,727	14,972
Charge for the year	353	236	342	38	1,443	2,412
Disposals	—	(279)	(123)	(156)	(60)	(618)
Impairment	597	—	—	—	—	597
Assets transferred to held for sale (note 20)	(34)	(64)	(54)	—	(38)	(190)
Assets transferred from held for sale	142	—	—	—	—	142
Exchange translation differences	—	16	37	—	52	105
At 30 June 2022	2,914	2,450	3,847	85	8,124	17,420
Net book amount						
At 30 June 2022	663	482	306	26	5,399	6,876
At 30 June 2021	1,626	581	405	114	6,551	9,277
At 30 June 2020	3,694	651	603	186	11,760	16,894

Depreciation of property, plant and equipment is charged to operating expenses within the income statement.

The impairment during the year relates to the impairment of assets associated with an office property, recognised as a result of an exercise performed to consolidate the Group's office space.

As at 30 June 2022, assets classified as transferred from held for sale relate to property, plant and equipment with a carrying value of £20,000 which were classified as held for sale in the prior year but were subsequently not sold.

Company	Right-of-use assets Land and buildings £'000
Cost	
At 1 July 2020, 30 June 2021 and 30 June 2022	9,889
Accumulated depreciation	
At 1 July 2020	1,055
Charge for the year	1,215
Impairment	2,786
At 30 June 2021	5,056
Charge for the year	725
At 30 June 2022	5,781
Net book amount	
At 30 June 2022	4,108
At 30 June 2021	4,833
At 30 June 2020	8,834

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15. Investments in subsidiaries

Company	Shares in subsidiary undertakings £'000
Cost less provision at 1 July 2021 and 30 June 2022	49,420

The following table gives brief details of the entities controlled and included in the consolidated financial statements of the Group at 30 June 2022. Except where indicated, all of the entities are incorporated in and principally operated in the UK. Subsidiaries marked * are directly owned by Wilmington plc; all other subsidiaries are indirectly owned. Subsidiaries marked ** are companies limited by guarantee, have no ordinary shares and are controlled indirectly by Wilmington plc. Subsidiaries marked + have claimed audit exemptions for the year to 30 June 2022 under Section 479A of the Companies Act 2006. During the year the Group disposed of the following subsidiary companies: Adkins & Matchett (UK) Limited, Adkins, Matchett & Toy Limited and Adkins, Matchett & Toy (Hong Kong) Limited and La Touche Bond Solon Training Limited. Wilmington Legal Limited held the investment in these companies.

Name of company	UK company number	Registered address	Business	Percentage owned
APM International SAS (incorporated and operates in France)	n/a	AVE	News information services to the healthcare industry	100
APM Media SARL (incorporated and operates in France)	n/a	AVE	News information services to the healthcare industry	100
Axco Insurance Information Services Limited+	3073807	WCH	Provision of international compliance and regulatory information for the global insurance industry	100
Bond Solon Training Limited+	2271977	WCH	Witness training and conferences	100
CLT International Hong Kong Limited (formerly International Compliance Training Hong Kong Limited)	n/a	PRU	Certified professional training	100
CLT International Limited+	6309789	WCH	Certified professional training	100
ICA Commercial Services Limited+	4363296	WCH	Training courses in international compliance and money laundering	100
ICA Risk Management Limited (formerly ICA Audit Limited)+	4519229	WCH	Facilitation of ISO certification for businesses	100
Interactive Medica AB (incorporated and operates in Sweden)	n/a	ALF	Pan-European provider of cloud based insight, CRM and KAM offerings to the pharmaceutical industry	100
Interactive Medica Limited+	5947851	WCH	Pan-European provider of cloud based insight, CRM and KAM offerings to the pharmaceutical industry	100
Interactive Medica SL (incorporated and operates in Spain)	n/a	CRE	Pan-European provider of cloud based insight, CRM and KAM offerings to the pharmaceutical industry	100
International Compliance Association Limited**+	4429302	WCH	Professional association; a not for profit organisation	100
International Compliance Training Academy PTE Limited (incorporated and operates in Singapore)	n/a	SHE	Training courses in international compliance and money laundering	100
International Compliance Training (Middle East) Ltd (incorporated and operates in the UAE)	n/a	GAT	Training courses in international compliance and money laundering	100
International Compliance Training SDN. BHD (incorporated and operates in Malaysia)	n/a	VER	Training courses in international compliance and money laundering	100
Mercia Group Limited+	1464141	WCH	Training and support services to the accountancy profession	100
Mercia Ireland Limited (incorporated and operates in Ireland)	n/a	BAG	Training and support services to the accountancy profession	100
Mercia NI Limited+	NI038498	CLO	Training and support services to the accountancy profession	100
MiExact Limited (formerly Smee and Ford Limited)+	1964639	WCH	Provision of legacy information	100
SWAT UK Limited+	3041771	WCH	Training and support services to the accountancy profession	100
Wilmington Compliance Week Inc. (incorporated and operates in the US)	n/a	ORA	Provision of international compliance and regulatory information in the US	100

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Name of company	UK company number	Registered address	Business	Percentage owned
Wilmington FRA Inc. (incorporated and operates in the US)	n/a	ORA	Conference and networking provider of specialist events in healthcare and finance	100
Wilmington Healthcare Limited+	2530185	WCH	Provision of reference information to the healthcare industry	100
Wilmington Holdings No.1 Limited*	8313253	WCH	Holding company	100
Wilmington Holdings US Inc. (incorporated and operates in the US)	n/a	ORA	Holding company	100
Wilmington IBT Limited (formerly The Matchett Group Limited)+	1221570	WCH	Dormant	100
Wilmington Inese SL (incorporated and operates in Spain)	n/a	CMA	Provision of Spanish language subscription based publications	100
Wilmington Insight Limited+	2691102	WCH	Holding company	100
Wilmington Legal Limited+	2522603	WCH	Holding company	100
Wilmington plc Employee Share Ownership Trust+	n/a	WCH	Trust	n/a
Wilmington Publishing & Information Limited	3368442	WCH	Provision of information and events for professional markets	100
Wilmington Shared Services Limited	8314442	WCH	Provision of shared services	100

The registered company addresses for each subsidiary undertaking are abbreviated as shown below.

Registered address	Abbreviation
Att.Lena Frazen, Nytorget 7, Box 577, 611 10, Nyköping, Sweden	ALF
33 Avenue de la Republique, 75011 Paris	AVE
13 Baggot Street Upper, Dublin 4, Ireland	BAG
Cloughoge Business Park, Newry, Countydown, Northern Ireland	CLO
C/Recoletos, 3 – 1º, 28001 Madrid	CRE
C/Maudes, 51 - 2ª Planta, 28003 Madrid	CMA
Level 3, Gate Village, Building 2, Dubai International Financial Centre, PO Box 506745, Dubai	GAT
1209 Orange Street, Delaware 19801, United States	ORA
Suite 2111, 21/F., Prudential Tower, The Gateway, Harbour City, 21 Canton Road, Tsimshatsui, Kowloon, Hong Kong	PRU
6 Shenton Way, #17-08 OUE Downtown 2, Singapore 068809	SHE
Unit 30-01, Vertical Business Suite, Bangsar South, No.8, Jalan Kerinchi, 59200, Kuala Lumpur	VER
10 Whitechapel High Street, London E1 8QS, United Kingdom	WCH

16. Trade and other receivables

	Group		Company	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	£'000	£'000	£'000	£'000
Current				
Trade receivables	22,290	23,202	—	—
Prepayments and other receivables	3,272	4,313	71	570
Accrued income	1,535	1,183	—	—
Amounts due from subsidiaries	—	—	118,670	106,394
	27,097	28,698	118,741	106,964

Amounts due from all subsidiaries are interest free, unsecured and repayable on demand. Expected credit losses on amounts due from subsidiaries are not material.

17. Derivative financial investments

	Group and Company	
	30 June 2022	30 June 2021
	£'000	£'000
Non-current assets		
Interest rate swaps	—	57

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18. Trade and other payables

	Group		Company	
	30 June 2022 £'000	30 June 2021 £'000	30 June 2022 £'000	30 June 2021 £'000
Trade and other payables	18,853	24,835	3,321	3,142
Subscriptions and deferred revenue	31,405	30,124	—	—
Amounts due to subsidiaries	—	—	49,993	34,025
	50,258	54,959	53,314	37,167

Wilmington plc has loans to the value of £3,098,640 (2021: £2,231,760) due to APM International SAS which incur interest at 2% per annum; these loans are unsecured and repayable on demand. All other amounts due to subsidiaries are interest free, unsecured and repayable on demand.

19. Borrowings

	Group	
	30 June 2022 £'000	30 June 2021 £'000
Current liability		
Bank overdrafts	—	3,644
	—	3,644
Non-current liability		
Bank loans	—	20,960
Capitalised loan arrangement fees	—	(530)
Bank loans net of loan arrangement fees	—	20,430

At 30 June 2022 the Group was in an overall net cash (2021: net debt) position. The Group has not used its revolving credit facility since January 2022 when the debt was fully repaid. As a result of its net cash position, and considering the Group's ongoing liquidity requirements, the Board approved the reduction of the facility from £65m to £20m as disclosed in note 21.

20. Disposal group held for sale

As at 30 June 2022, the disposal group classified as held for sale relates to Wilmington Inese SL, a business held within the Intelligence division. The rationale for the sale is in line with our portfolio management strategy as outlined in the Strategic report and is expected to be completed within one year by sale of equity shares.

The major classes of assets and liabilities comprising the disposal group held for sale are as follows:

	30 June 2022 £'000
Intangible assets – computer software	35
Property, plant and equipment	271
Trade and other receivables	386
Cash and cash equivalents	758
Assets of disposal group held for sale	1,450
Trade and other payables	(1,163)
Lease liabilities	(169)
Liabilities of disposal group held for sale	(1,332)

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21. Financial instruments and risk management

The Group's financial instruments arise from its operations (for example trade receivables and trade payables), from the financing of its operations (for example loans and borrowings and equity) and from its risk management activities (for example interest rate swaps and forward currency contracts). The risks to which the Group is exposed include liquidity and capital risk, foreign currency risk, and credit risk.

During the year the Group adopted the Amendments to IFRS for the Interest Rate Benchmark Reform – Phase 2. The Group signed an amendment to change the underlying benchmark from LIBOR to the relevant risk-free rate, SONIA, due to the cessation of LIBOR on 31 December 2021.

Interest rate risk

Risk

The Group has access to a £20m revolving credit facility; however, it is not currently in use due to the Group's net cash position. The Group would only be exposed to cash flow volatility arising from fluctuations in market interest rates if the facility was in use; in this case interest would be charged on the amount drawn down at a rate of SONIA plus a margin of between 1.50 and 2.25% depending upon leverage. The Group incurs a commitment fee for access to the facility at a rate of 40% of the applicable margin.

Group policy for interest rate risk management

The Group policy for interest rate risk management is to enter into interest rate swap contracts if beneficial to do so. This decision is based on whether the contract would maintain the ratio of fixed to variable rate debt at a level that achieves a reasonable cost of debt whilst reducing the exposure to cash flow volatility arising from fluctuations in market interest rates.

In line with the Group policy for interest rate risk management, the Board made the decision during the year to dispose of the interest rate swaps that were held. This is a result of the overall net cash position arising from the disposal of AMT during the year. The gain of £1,186,000 arising on the revaluation of interest rate swaps is recognised in the income statement within net gain on financing activities within adjusting items.

The cancelled swaps were as follows:

- a \$7.5m interest rate swap commencing on 1 July 2020 and ending on 1 October 2024, whereby the Group received interest on \$7.5m based on the USD SONIA rate and paid interest on \$7.5m at a fixed rate of 0.495%; and
- a £20.0m interest rate swap commencing on 1 July 2020 and ending on 1 October 2024, whereby the Group received interest on £20m based on the SONIA rate and paid interest on £20m at a fixed rate of 0.395%.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	Nominal amount	
	30 June 2022 £'000	30 June 2021 £'000
Financial liabilities	—	20,960
Effects of interest rate swaps	—	(25,427)
	—	(4,467)

There were no financial instruments in place at 30 June 2022.

Amounts related to items designated as hedging instruments during the year were as follows:

	Change in value of hedging instrument recognised in OCI £'000	Line item in profit or loss that includes hedge ineffectiveness	Line item affected in profit or loss because of the reclassification £000
During the year ended 30 June 2022	—	n/a	1,186

	Change in value of hedging instrument recognised in OCI £'000	Line item in profit or loss that includes hedge ineffectiveness	Line item affected in profit or loss because of the reclassification
During the year ended 30 June 2021	(93)	n/a	n/a

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	Carrying amount			
At 30 June 2021	Nominal amount £'000	Asset £'000	Liability £'000	Line item in the financial statements where the hedging instrument is included
Interest rate swaps	5,427	22	—	Derivative financial instruments
Interest rate swaps	20,000	35	—	Derivative financial instruments
	25,427	57	—	

Liquidity and capital risk

Risk

The Group's activities give rise to working capital obligations and other operational cash outflows, as well as financing cash outflows if the Group is using the revolving credit facility. The Group is consequently exposed to the risk that it cannot meet its obligations as they fall due or can only meet them at an uneconomic price.

Group policy

The Group policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business and to balance these objectives with the efficient use of capital.

Risk management arrangements

The Group determines its liquidity requirements by the use of short and long term cash forecasts. The Group enters into short, medium and long term financial instruments when deemed necessary to support operational and other funding requirements.

Revolving credit facility secured until 3 July 2024

The Group has a £20m revolving credit facility with Barclays Bank plc, The Governor and Company of the Bank of Ireland and The Royal Bank of Scotland plc. The facility comprises a revolving credit facility of £20m and an overdraft facility across the Group of £5m.

During the year as a result of its net cash position, and considering the Group's ongoing liquidity requirements, the Board approved the reduction of the facility from £65m to £20m. Interest is charged on the amount drawn down at between 1.50% and 2.25% above SONIA depending upon leverage, and drawdowns are made for periods of up to six months in duration. The Group pays a fee of 40% of the applicable margin on the undrawn element of the credit facility and the undrawn overdraft.

The Group has available an undrawn revolving credit facility as follows:

	30 June 2022 £'000	30 June 2021 £'000
Expiring after more than one year	20,000	44,040

The following tables provide a maturity analysis of the remaining contractually agreed cash flows for the Group's non-derivative financial liabilities on an undiscounted basis, which therefore differ from the carrying value and fair value:

Group

	Within 1 year £'000	1–2 years £'000	2–5 years £'000	More than 5 years £'000	Total £'000
At 30 June 2022					
Bank overdrafts	—	—	—	—	—
Bank loans including interest	120	120	—	—	240
Lease liabilities	507	1,972	4,777	662	7,918
Trade payables and accruals	16,747	—	—	—	16,747
	17,374	2,092	4,777	662	24,905
At 30 June 2021					
Bank overdrafts	32	32	64	—	128
Bank loans including interest	384	384	22,278	—	23,046
Lease liabilities	2,333	2,064	5,240	1,841	11,478
Trade payables and accruals ¹	19,897	—	—	—	19,897
	22,646	2,480	27,582	1,841	54,549

¹The split of balances represented in the table above has been restated by £4,938,000 to exclude certain balances within other payables which do not meet the definition of a financial liability.

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Company

At 30 June 2022	Within 1 year £'000	1–2 years £'000	2–5 years £'000	More than 5 years £'000	Total £'000
Bank overdrafts	—	—	—	—	—
Bank loans including interest	120	120	—	—	240
Lease liabilities	—	1,606	4,242	554	6,402
Trade payables, accruals and amounts due to subsidiary undertakings	52,781	—	—	—	52,781
	52,901	1,726	4,242	554	59,423

At 30 June 2021	Within 1 year £'000	1–2 years £'000	2–5 years £'000	More than 5 years £'000	Total £'000
Bank overdrafts	32	32	64	—	128
Bank loans including interest	384	384	768	—	1,536
Lease liabilities	1,606	1,606	4,769	1,634	9,615
Trade payables, accruals ¹ and amounts due to subsidiary undertakings	36,814	—	—	—	36,814
	38,836	2,022	5,601	1,634	48,093

¹The split of balances represented in the table above has been restated by £353,000 to exclude certain balances within other payables which do not meet the definition of a financial liability.

The Company has entered into an unlimited cross guarantee with the Group's credit facility providers.

Foreign currency risk

Risk

The currency of the primary economic environment in which the Group operates is Sterling, and this is also the currency in which the Group presents its financial statements. However, the Group has significant US Dollar linked cash flows arising from international trading and overseas operations. The Group is consequently exposed to cash flow volatility arising from fluctuations in the applicable exchange rates for converting US Dollars to Sterling.

Group policy

The Group policy is to manage foreign currency risk, and to fix the exchange rate as appropriate in relation to a periodically reassessed set percentage of expected US Dollar net cash inflows arising from international trading, by entering into foreign currency contracts as appropriate to sell a specified amount of US Dollars on a specified future date at a specified exchange rate. This set percentage is approved by the Board as part of the budgeting process and upon the acquisition of foreign operations.

Where borrowings are required, the Group policy is to finance investment in overseas operations from borrowings in the local currency of the relevant operation, so as to achieve a natural hedge of the foreign currency translation risk. This natural hedge is designated as a net investment hedge for accounting purposes. Debt of \$11m (2021: \$11.0m) designated as a net investment hedge relating to the Group's interest in Compliance Week and FRA was repaid during the year, and the net investment hedge de-recognised in line with the Group's policy to hedge the net investment only to the extent of the debt principal.

Risk management arrangements

The following forward contracts were entered into in order to provide certainty in Sterling terms of 80% of the Group's expected net US Dollar income:

Currency	Amount £'m	Maturity date	Foreign exchange rate
US Dollar	1.0	29 October 2021	1.3792
US Dollar	1.0	30 November 2021	1.3793
US Dollar	1.0	31 December 2021	1.3795
US Dollar	1.0	31 January 2022	1.3801
US Dollar	1.0	28 February 2022	1.3802
US Dollar	2.0	31 March 2022	1.3803
US Dollar	1.5	29 April 2022	1.3805

The above derivatives are remeasured at fair value at each reporting date. This gives rise to a gain or loss, the entire amount of which is recognised in the income statement.

The Group has performed a sensitivity analysis that measures the estimated credit/(charge) to the income statement and other comprehensive income arising from a 10% difference in the US Dollar to Sterling and Euro to Sterling exchange rates applicable at 30 June 2022, with all other variables remaining constant. The sensitivity analysis makes the assumption that changes in foreign currency rates only affect income, expense, assets and liabilities that are denominated in the relevant currencies.

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	Income statement		OCI	
	+10%* £'000	-10%* £'000	+10%* £'000	-10%* £'000
Cash and cash equivalents	(63)	77	—	—
Trade receivables (including the effect of forward currency contracts)	(27)	33	—	—
Currency translation differences	—	—	362	(442)
Net investment hedges	—	—	212	(173)
Profit before tax arising overseas	(455)	556	—	—

* +10% represents Sterling value appreciating compared with other currencies. -10% represents Sterling value depreciating compared with other currencies.

Market risk

A foreign currency exposure can arise from the Group's net investment in two of its US subsidiaries (Wilmington Compliance Week Inc. and Wilmington FRA Inc.) that have a US Dollar functional currency. The risk arises from the fluctuation in spot exchange rates between Sterling and the US Dollar, which causes the value of the net investment to vary. The hedged risk in the net investment hedge is the risk of a weakening of the US Dollar against Sterling that will result in a reduction in the carrying amount of the Group's net investment in the US subsidiaries.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal. In line with the Group's market risk policy, a decision was made during the year to dispose of the net investment US Dollar hedge of \$11m. This is a result of the overall net cash position arising from the disposal of AMT during the year.

The amounts related to items designated as hedging instruments during the year were as follows:

	Change in value of hedging instrument recognised in OCI £'000	Line item in profit or loss that includes hedge ineffectiveness	Line item affected in profit or loss because of the reclassification
During the year ended 30 June 2022	193	n/a	n/a
During the year ended 30 June 2021	(762)	n/a	n/a

There were no US Dollar loans at 30 June 2022.

	Carrying amount		Line item in the financial statements where the hedging instrument is included
	Nominal amount £'000	Liability £'000	
At 30 June 2021			
US Dollar loans	7,960	7,960	Borrowings
During the year ended 30 June 2022			
			Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied £'000
			(1,552)
During the year ended 30 June 2021			
			Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied £'000
			(742)

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Credit risk

Risk

The Group's principal financial assets are receivables and bank balances. The Group is consequently exposed to the risk that its customers or the banks cannot meet their obligations as they fall due.

Group policy

The Group policy is to assess the creditworthiness and financial strength of customers at inception and on an ongoing basis. The Group also reviews the credit rating of its banks. Cash is held in banks with a credit rating between AA to A per Fitch at 20 September 2022, with the exception of £0.2m which is held in Ulster Bank, with a rating of BBB+.

Risk management arrangements

The Group's credit risk is primarily attributable to its trade receivables. However, the Group has no significant exposure to credit risk because its trading is spread over a large number of customers. The payment terms offered to customers take into account the assessment of their creditworthiness and financial strength, and they are set in accordance with industry standards. The creditworthiness of customers is considered before trading commences. Most of the Group's customers are large and well-established institutions that pay on time and in accordance with the Group's standard terms of business.

The amounts presented in the balance sheet are net of the expected credit loss allowance. The Group applies a simplified approach to measure the expected credit loss allowance for trade receivables classified at amortised cost, using the lifetime expected loss provision.

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and debt instruments at fair value through other comprehensive income. Expected credit losses are updated at each reporting date to reflect changes in credit risk.

The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating, taking into account forward-looking factors including general economic conditions and an assessment of the current and forecast conditions at the reporting date.

The following table details the risk profile of trade receivables based on the Group's provision matrix.

	Not due £'000	0–30 days £'000	30–60 days £'000	61–90 days £'000	91–120 days £'000	120+ days £'000	Total £'000
At 30 June 2022							
Gross carrying amount	14,733	3,280	1,940	1,197	936	1,079	23,165
Expected credit loss rate	0.29%	0.03%	0.12%	0.10%	4.27%	72.98%	3.78%
Expected credit loss	43	1	2	1	40	788	875
Net carrying amount	14,690	3,279	1,938	1,196	896	291	22,290

Set out below is the movement for the year in the expected credit loss relating to trade receivables.

	30 June 2022 £'000	30 June 2021 £'000
Allowances at 1 July	811	1,132
Additions charged to income statement	731	176
Allowances used	(57)	(429)
Allowances reversed	(610)	(68)
Allowances at 30 June	875	811

Fair value of financial assets and financial liabilities

The table below sets out the accounting classification and the carrying and fair values of all of the Group's financial assets and financial liabilities. The carrying value and fair value are equal in all cases. None of the financial instruments have been reclassified during the year. All items classified as fair value through profit and loss are held for trading.

Group

	Amortised cost £'000
At 30 June 2022	
Financial assets	
Cash and cash equivalents	19,785
Trade and other receivables	22,729
Deferred consideration receivable	1,698
Financial assets included within disposal group held for sale	1,106
	45,318
Financial liabilities	
Trade and other payables	(16,747)
Lease liabilities	(7,510)
Financial liabilities included within disposal group held for sale	(376)
	(24,633)

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At 30 June 2021	Fair value – hedging instrument £'000	Amortised cost £'000	Total £'000
Financial assets			
Cash and cash equivalents	—	7,374	7,374
Interest rate swaps	57	—	57
Deferred consideration receivable ¹	—	1,835	1,835
Trade and other receivables	—	24,077	24,077
	57	33,286	33,343
Financial liabilities			
Trade and other payables ¹	—	(19,897)	(19,897)
Lease liabilities	—	(10,742)	(10,742)
Bank overdrafts	—	(3,644)	(3,644)
Bank loans	—	(20,960)	(20,960)
	—	(55,243)	(55,243)

¹The split of balances represented in the table above has been restated to include deferred consideration receivable which meets the definition of a financial asset, and to exclude a balance of £4,938,000 within other payables which does not meet the definition of a financial liability.

Company

At 30 June 2022	Amortised cost £'000
Financial assets	
Cash and cash equivalents	15,734
Trade and other receivables	118,670
	134,404
Financial liabilities	
Trade and other payables	(52,781)
Lease liabilities	(6,225)
	(59,006)

At 30 June 2021	Fair value – hedging instrument £'000	Amortised cost £'000	Total £'000
Financial assets			
Cash and cash equivalents	—	2,702	2,702
Interest rate swaps	57	—	57
Trade and other receivables	—	106,394	106,394
	57	109,096	109,153
Financial liabilities			
Trade and other payables ²	—	(36,814)	(36,814)
Lease liabilities	—	(8,963)	(8,963)
	—	(45,777)	(45,777)

²The split of balances represented in the table above has been restated to increase the balance by £2,266,000 for trade and other payables to correctly include all balances that meet the definition of a financial liability.

Fair value measurement

The methods and assumptions used to estimate the fair values of financial assets and liabilities are as follows:

- the carrying amount of trade receivables and payables approximates to fair value due to the short maturity of the amounts receivable and payable;
- the fair value of the Group's borrowings are estimated on the basis of the discounted value of future cash flows using approximate discount rates in effect at the balance sheet date; and
- the fair value of the Group's outstanding interest rate swaps, foreign exchange contracts and put options for non-controlling interest are estimated using discounted cash flow models and market rates of interest and foreign exchange at the balance sheet date.

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22. Deferred tax

Movements on deferred tax assets are as follows:

Group	Share based payments £'000	Fair value interest rate swap £'000	US deferred consideration £'000	Tax losses £'000	Other £'000	Total £'000
Asset at 1 July 2020	106	11	243	795	34	1,189
Tax relating to initial application of IFRS 16	—	—	—	—	(34)	(34)
Deferred tax (charge)/credit in the income statement for the year	(14)	—	(22)	432	—	396
Deferred tax charge in other comprehensive income for the year	—	(22)	—	—	—	(22)
Deferred tax credit included directly in equity for the year	358	—	—	—	—	358
Utilisation of deferred tax asset	—	—	—	(498)	—	(498)
Exchange translation difference	—	—	(25)	—	—	(25)
Asset at 30 June 2021	450	(11)	196	729	—	1,364
Deferred tax (charge)/credit in the income statement for the year	(16)	11	(23)	191	—	163
Deferred tax credit included directly in equity for the year	70	—	—	—	—	70
Utilisation of deferred tax asset	—	—	—	(631)	—	(631)
Exchange translation difference	—	—	75	—	—	75
Asset at 30 June 2022	504	—	248	289	—	1,041

The Group has concluded that the deferred assets relating to tax losses will be recoverable using the estimated future taxable income. The losses can be carried forward indefinitely and have no expiry date.

Company	Share based payments £'000	Fair value interest rate swap £'000	Total £'000
Asset at 1 July 2020	106	11	117
Deferred tax charge in the income statement for the year	(14)	—	(14)
Deferred tax charge in other comprehensive income for the year	—	(22)	(22)
Deferred tax credit included directly in equity for the year	358	—	358
Asset at 30 June 2021	450	(11)	439
Deferred tax charge in the income statement for the year	(16)	11	(5)
Deferred tax credit included directly in equity for the year	70	—	70
Asset at 30 June 2022	504	—	504

Movements on deferred tax liabilities are as follows:

	Group £'000
Non-current liabilities	
Liability at 1 July 2020	2,524
Deferred tax credit in the income statement for the year	(530)
Effect on deferred tax of a change in the corporation tax rate	132
Exchange translation difference	(72)
Liability at 30 June 2021	2,054
Deferred tax credit in the income statement for the year	(51)
Effect on deferred tax of a change in the corporation tax rate	2
Exchange translation difference	35
Liability at 30 June 2022	2,040

The deferred tax liability arises as a result of accelerated tax on amortisation of intangible assets excluding computer software and on the depreciation of property, plant and equipment.

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23. Share capital

Group	Number of ordinary shares of 5p each	Ordinary shares £'000	Share premium account £'000	Treasury shares and ESOT reserves £'000	Total £'000
Issued and fully paid ordinary shares					
At 1 July 2020	87,603,917	4,380	45,225	(590)	49,015
Performance share plan awards vesting settled via ESOT	—	—	—	137	137
ESOT share purchases	—	—	—	(263)	(263)
Sale of treasury shares	—	—	—	15	15
At 30 June 2021	87,603,917	4,380	45,225	(701)	48,904
Performance share plan awards vesting settled via ESOT	—	—	—	84	84
ESOT share purchases	—	—	—	(371)	(371)
Issue of shares	224,838	11	328	—	339
Purchase of treasury shares	—	—	—	(154)	(154)
Sale of treasury shares	—	—	—	49	49
At 30 June 2022	87,828,755	4,391	45,553	(1,093)	48,851

Company	Number of ordinary shares of 5p each	Ordinary shares £'000	Share premium account £'000	Treasury shares £'000	Total £'000
Issued and fully paid ordinary shares					
At 1 July 2020	87,603,917	4,380	45,225	(93)	49,512
Shares issued	—	—	—	15	15
Sale of treasury shares	—	—	—	15	15
At 30 June 2021	87,603,917	4,380	45,225	(78)	49,527
Issue of shares	224,838	11	328	—	339
Purchase of treasury shares	—	—	—	(154)	(154)
Sale of treasury shares	—	—	—	49	49
At 30 June 2022	87,828,755	4,391	45,553	(183)	49,761

In May 2022 Wilmington issued 224,838 ordinary voting shares of £0.05 to satisfy the Company's obligations under the SAYE Plan.

During the year the Wilmington Group plc Employee Share Ownership Trust ('ESOT') purchased 170,097 ordinary shares for the purpose of future settlement of employee share schemes. On 30 September 2021, 37,435 shares vested under its Performance Share Plan settled via the ESOT. In April 2022 3,552 shares were used to satisfy the Company's obligations under the SAYE Plan. At 30 June 2022, the ESOT held 403,782 shares (2021: 274,672) in the Company, which represents 0.5% (2021: 0.4%) of the called up share capital.

At 30 June 2022, 65,970 shares (2021: 34,533) were held in treasury, which represents 0.1% (2021: 0.1%) of the share capital of the Company.

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24. Share based payments

The Group's share based payment arrangements are as follows.

- Performance Share Plan ('PSP') awards, applying to Executives;
- Performance Share Plan ('PSP') awards, applying to the Senior Leadership Team;
- Share Option Plan ('Options'), applying to the Senior Leadership Team; and
- An employee Save As You Earn ('SAYE') scheme, for UK based employees.

An expense of £1,230,000 (2021: £566,000) was recognised in the income statement of the Group for share based payments. Of this expense £1,230,000 (2021: £566,000) was recognised in the parent company income statement.

During the year ended 30 June 2022, the following events have occurred in respect of each scheme.

a) PSP awards, applying to Executives

Details of Directors' share awards are set out in the Directors' remuneration report.

Under the Wilmington plc 2017 Performance Share Plan:

Date of grant	Exercise price per award	Date of vesting	Number of shares for which awards outstanding at 1 July 2021	Awards granted during year	Awards vested during year	Awards lapsed during year	Number of shares for which awards outstanding at 30 June 2022
September 2018	Nil	September 2021	79,486	—	(37,435)	(42,051)	—
September 2019	Nil	September 2022	285,673	—	—	(182,268)	103,405
September 2020	Nil	September 2023	546,939	—	—	(91,837)	455,102
February 2021	Nil	September 2023	52,971	—	—	—	52,971
September 2021	Nil	September 2024	—	383,177	—	—	383,177
February 2022	Nil	September 2024	—	27,307	—	—	27,307

37,435 awards vested on 28 September 2021 at a share price of £2.26. 383,177 awards were granted to Executives in September 2021 with a fair value of £1.90 per award. 27,307 awards were granted to the Chief People Officer on 22 February 2022 with a fair value of £2.08 per award.

The performance conditions of the awards granted between 2018 and 2019 are based on the proportions shown below:

- 33.3% total shareholder return ('TSR');
- 33.3% earnings per share ('EPS'); and
- 33.3% return on equity ('ROE').

The performance conditions of the awards granted in September 2020 and February 2021 are based on the proportions below:

- 40.0% total shareholder return ('TSR');
- 40.0% earnings per share ('EPS'); and
- 20.0% organic growth ('ORG').

The performance conditions of the awards granted in September 2021 and February 2022 are based on the proportions below:

- 65.0% earnings per share ('EPS'); and
- 35.0% organic growth ('ORG').

The awards granted to Executives in September 2021 were valued using the Black Scholes and Stochastic methods with the following assumptions:

- expected volatility (%): 46.86;
- expected life (years): 3.0; and
- expected dividends (%): Nil.

The awards granted to the Chief People Officer in February 2022 were valued using the Black Scholes and Stochastic methods with the following assumptions:

- expected volatility (%): 45.58;
- expected life (years): 3.0; and
- expected dividends (%): Nil.

Expected volatility was determined by reference to the historical volatility of the Group's share price. The expected life used in the model is the mid-point of the exercise period. Expected dividend assumptions reflect the impact of dividends in lieu in respect of awards made to Executives. These do not apply to awards or options made to the Senior Leadership Team.

b) PSP awards, applying to the Senior Leadership Team

Under the Wilmington plc 2017 Performance Share Plan:

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Date of grant	Exercise price per award	Date of vesting	Number of shares for which awards outstanding at 1 July 2021	Awards granted during year	Awards vested during year	Awards lapsed during year	Number of shares for which awards outstanding at 30 June 2022
September 2018	Nil	September 2021	178,917	—	—	(178,917)	—
September 2019	Nil	September 2022	145,776	—	—	(1,599)	144,177
September 2020	Nil	September 2023	223,295	—	—	(7,584)	215,711
September 2021	Nil	September 2024	—	151,870	—	—	151,870
February 2022	Nil	September 2024	—	7,270	—	—	7,270

The fair value of the awards granted on 28 September 2021 was £2.06 and the fair value of the awards granted on 22 February 2022 was £2.24 per award.

The performance conditions of the awards granted in September 2021 and February 2022 are based on the proportions shown below.

- 65.0% earnings per share ('EPS'); and
- 35.0% organic growth ('ORG').

The awards granted in September 2021 were valued using the Black Scholes method with the following assumptions:

- expected life (years): 3.0; and
- expected dividends (%): 2.69.

The awards granted in February 2022 were valued using the Black Scholes method with the following assumptions:

- expected life (years): 3.0; and
- expected dividends (%): 2.60.

c) Options

On 30 September 2021 and 22 February 2022, the Company awarded share options to selected key management. This is a discretionary scheme which enables a company to grant share options to selected employees. The exercise price of the granted options is equal to the market price of the shares on the date of the grant. Options are conditional on the employee completing three years' service (the vesting period) so act as a lock-in incentive; the options have a contractual option term of ten years. The options are exercisable starting three years from the grant date, subject to the Group achieving growth in earnings per share in line with the targets set out in the deed of grant. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise price are as follows:

Date of grant	Average exercise price per option £	Date of vesting	Number of shares for which options outstanding at 1 July 2021	Options granted during year	Options exercised during year	Options lapsed during year	Number of shares for which options outstanding at June 2022
September 2015	2.625	September 2018	160,726	—	—	—	160,726
September 2016	2.455	September 2019	—	—	—	—	—
September 2017	2.150	September 2020	—	—	—	—	—
September 2018	1.848	September 2021	281,313	—	—	(281,313)	—
September 2019	2.080	September 2022	220,007	—	—	(3,859)	216,148
September 2020	1.225	September 2023	328,772	—	—	(18,201)	310,571
September 2021	2.228	September 2024	—	216,323	—	—	216,323
February 2022	2.420	September 2024	—	10,905	—	—	10,905

The fair value of the options granted on 28 September 2021 was £0.52 and the fair value of the options granted on 22 February 2022 was £0.61 per option.

The options granted in September 2021 were valued using the Black Scholes method with the following assumptions:

- expected volatility (%): 32.74;
- expected life (years): 6.50; and
- expected dividends (%): 2.60.

Expected volatility was determined by reference to the historical volatility of the Group's share price. The expected life used in the model is the mid-point of the exercise period.

The options granted in February 2022 were valued using the Black Scholes method with the following assumptions:

- expected volatility (%): 32.34;
- expected life (years): 6.50; and
- expected dividends (%): 2.69.

Expected volatility was determined by reference to the historical volatility of the Group's share price. The expected life used in the model is the mid-point of the exercise period.

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d) Save As You Earn Options

On 29 March 2019, Save As You Earn Options with a per share exercise price of £1.52 over 688,612 ordinary shares in Wilmington plc (the 'Company') were granted under the Wilmington SAYE Plan 2018 to employees of the Company and its subsidiaries. In May 2022 the SAYE Options vested, and can be exercised within six months following vesting; 279,815 shares vested during the year. At 30 June 2022 there were 47,127 (2021: 326,942) shares for which options were outstanding.

On 19 October 2020, Save As You Earn Options with a per share exercise price of £0.96 over 984,973 ordinary shares in the Company were granted under the Wilmington SAYE Plan 2018 to employees of the Company and its subsidiaries. At 30 June 2022 there were 784,949 (2021: 930,261) shares for which options were outstanding.

The exercise prices of £1.52 and £0.96 relating to the 2019 SAYE Options and the 2020 SAYE Options respectively were calculated in accordance with the rules as set out in the SAYE Scheme. The SAYE Options will normally vest and become exercisable over a three year vesting period from the date of grant and can be exercised within six months following vesting.

25. Lease liabilities

The Group enters into leases of buildings in relation to offices and business premises in the geographical locations in which they operate.

The following table shows the discounted lease liabilities included in the Group and Company balance sheets:

	Group		Company	
	30 June 2022 £'000	30 June 2021 £'000	30 June 2022 £'000	30 June 2021 £'000
Current	648	2,356	118	1,606
Non-current	6,862	8,386	6,107	7,357
	7,510	10,742	6,225	8,963

A reconciliation of the movement in the right-of-use assets is included in note 14. The maturity analysis of lease liabilities on a contractual undiscounted cash flow basis is included in note 21. The interest expense in relation to lease liabilities is included in note 6. Amounts recognised through the Consolidated income statement in respect of short term leases and low-value leases are included in note 4. The total cash outflow for leases was £4,166,000 (2021: £3,352,000) with the year-on-year increase relating to a difference in the timing of payments.

Contracts entered into by the Group have a wide range of terms and conditions but generally do not impose any additional covenants. Extension and terminations options provide the Group with additional operational flexibility. These options are included in the lease term if the Group considers it reasonably certain that the lease will be extended or terminated.

Included in liabilities of disposal group classified as held for sale is £169,000 relating to lease liabilities for Wilmington Inese SL.

The Group is committed to one lease agreement not yet commenced as at 30 June 2022. The future cash outflow to which the Group is potentially exposed for this agreement is approximately £550,000.

26. Provisions

Property and other	£'000
At 1 July 2021	1,842
Utilised in the year	(307)
At 30 June 2022	1,535

	30 June 2022 £'000
Included in current liabilities	307
Included in non-current liabilities	1,228
	1,535

The provision is in respect of anticipated costs expected to be incurred in relation to the closed proportion of the head office until the end of the contractual lease term.

The provision is based on assumptions and estimates where the ultimate outcome may be different from the amount provided. The provision reflects the Group's best estimate of the probable exposure as at 30 June 2022. This assessment has been made having considered the sensitivity of the provision for possible changes in key assumptions.

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27. Commitments

The Group had no (2021: none) capital commitments contracted but not provided for in relation to property, plant and equipment at 30 June 2022.

28. Related party transactions

The Company and its wholly owned subsidiary undertakings offer certain Group-wide purchasing facilities to the Company's other subsidiary undertakings whereby the actual costs are recharged.

The Company has made recharges totalling £503,896 (2021: £2,386,709) to its fellow Group undertakings in respect of management services.

Amounts due from and to subsidiary undertakings by the Company are set out in notes 16 and 18 respectively.

During the year, the Company received dividends of £15,416,584 from subsidiaries (2021: £42,998,819).

There were no (2021: £nil) transactions with related parties of key management personnel in the year.

29. Staff and their pay and benefits

a) Employee costs (including Directors) were as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Wages and salaries*	47,374	47,884
Social security costs	5,164	4,814
Other pension costs	1,384	1,409
Share based payments (including social security costs)	1,230	566
	55,152	54,673

*Excluded from wages and salaries are redundancy costs in the year of £1,072,371 (2021: £1,969,131).

b) Remuneration of key management personnel that held office for part or all of the year (2022: 9 people; 2021: 14 people), which includes the Directors and other key management personnel, is shown in the table below:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Short term employee benefits	2,226	3,385
Compensation for loss of office	—	164
Post-employment benefits	72	89
Share based payments	302	394
	2,600	4,032

More detailed information concerning Directors' remuneration, shareholdings, pension entitlement, share options and other Long Term Incentive Plans ('LTIPs') are shown in the audited part of the Directors' remuneration report on pages 51 to 55, which forms part of the consolidated financial statements.

c) The average monthly number of employees (including Directors) employed by the Group was as follows:

	Year ended 30 June 2022 Number	Year ended 30 June 2021 Number
Cost of sales	520	549
Administration	381	403
	901	952

Total full time equivalents at 30 June 2022 were 779 (2021: 835).

d) Retirement benefits:

The Group contributes to defined contribution pension schemes. Total contributions to the schemes during the year were £1,384,000 (2021: £1,409,000).

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30. Cash generated from operations

	Group		Company	
	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Profit/(loss) from continuing operations before tax	36,120	(2,025)	14,964	37,879
Adjusting item – gain on disposal of subsidiaries	(16,329)	(770)	—	—
Adjusting item – gain on disposal of business operations	—	(3,394)	—	—
Adjusting item – gain on sale of property, plant and equipment	(1,289)	—	—	—
Adjusting item – net gain on financing activities	(840)	—	(840)	—
Adjusting items	66	2,970	(6,061)	151
Depreciation of property, plant and equipment included in operating expenses	2,412	3,399	—	—
Amortisation of intangible assets	6,089	5,816	—	—
Impairment of goodwill, intangible assets and property, plant and equipment	597	14,834	—	2,786
Non-adjusting (profit)/loss on disposal of property, plant and equipment	(71)	2	—	—
Share based payments (including social security costs)	1,230	566	1,230	566
Net finance costs	928	1,634	663	855
Operating cash flows before movements in working capital	28,913	23,032	9,956	42,237
Decrease/(increase) in trade and other receivables	1,621	(3,619)	(9,396)	(24,923)
(Decrease)/increase in trade and other payables	(5,657)	(2,123)	(7,275)	3,070
Decrease in provisions	(307)	—	—	—
Cash generated from/(used in) operations before adjusting items	24,570	17,290	(6,715)	20,384

Cash conversion is calculated as a percentage of cash generated by operations to adjusted EBITA as follows:

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Funds from operations before adjusting items:		
Adjusted EBITA (note 2)	21,621	16,649
Share based payments (including social security costs)	1,230	566
Amortisation of intangible assets – computer software	3,721	2,416
Depreciation of property, plant and equipment included in operating expenses	2,412	3,399
Non-adjusting (profit)/loss on disposal of property, plant and equipment	(71)	2
Operating cash flows before movement in working capital	28,913	23,032
Net working capital movement	(4,343)	(5,742)
Funds from operations before adjusting items	24,570	17,290
Cash conversion	114%	104%

	Year ended 30 June 2022 £'000	Year ended 30 June 2021 £'000
Free cash flow:		
Operating cash flows before movement in working capital	28,913	23,032
Proceeds on disposal of property, plant and equipment	3,493	103
Net working capital movement	(4,343)	(5,742)
Interest paid	(479)	(1,196)
Payment of lease liabilities	(3,752)	(2,530)
Tax paid	(3,397)	(2,697)
Purchase of property, plant and equipment	(440)	(1,047)
Purchase of intangible assets	(1,292)	(1,969)
Free cash flow	18,703	7,954

31. Events after the reporting period

There were no events after the Balance Sheet date that require disclosure.

Financial statements– Wilmington plc 30 June 2022**Pro forma five year financial summary (unaudited)**

	2018 £'m	2019 £'m	2020 £'m	2021 £'m	2022 £'m
Revenue	121.3	122.5	113.1	113.0	121.0
Operating expenses (before adjusting items)	(97.5)	(101.0)	(99.1)	(96.4)	(99.4)
Adjusted EBITA	23.8	21.5	14.0	16.6	21.6
Other adjusting items	(4.6)	(1.4)	(0.6)	(3.0)	0.1
Gain on disposal of property, plant and equipment	—	—	—	—	1.3
Gain on disposal of business operations	—	—	—	3.4	—
Gain on disposal of subsidiaries	—	1.9	—	0.8	16.3
Net gain on financing activities	—	—	—	—	0.8
Amortisation of intangible assets excluding computer software	(6.4)	(5.1)	(4.8)	(3.4)	(2.5)
Impairment of goodwill, intangible assets and property, plant and equipment	(8.6)	—	—	(14.8)	(0.6)
Operating profit/(loss)	4.2	16.9	8.6	(0.4)	37.0
Net finance costs	(1.9)	(2.1)	(2.2)	(1.6)	(0.9)
Share of loss of equity accounted investment	—	(0.1)	—	—	—
Profit/(loss) on ordinary activities before tax	2.3	14.7	6.4	(2.0)	36.1
Taxation	(2.6)	(3.5)	(1.8)	(2.5)	(3.3)
Profit/(loss) on ordinary activities after tax	(0.3)	11.2	4.6	(4.5)	32.8
Adjusted profit before tax	21.8	19.3	11.9	15.0	20.7
Cash generated from operations before adjusting items	25.7	26.4	26.5	17.3	24.6
Basic earnings per ordinary share from continuing operations (pence)	(0.45)	12.74	5.33	(5.18)	37.46
Diluted earnings per ordinary share from continuing operations (pence)	(0.45)	12.64	5.26	(5.18)	36.98
Adjusted earnings per ordinary share from continuing operations (pence)	19.80	17.44	10.71	13.62	18.66
Interim and proposed final dividend per share (pence)	8.8	9.1	—	6.0	8.2
Dividend cover (times) ¹	2.3	1.9	—	2.3	2.3
Return on sales (%) ²	19.6	17.5	12.4	14.7	17.9

The results for the financial years to 2018 and 2019 have not been adjusted for IFRS 16.

1 Dividend cover – adjusted earnings per ordinary share from continuing operations divided by the interim and proposed final dividend per share.

2 Return on sales – adjusted EBITA divided by revenue.

Financial statements– Wilmington plc 30 June 2022

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Corporate calendar***Announcement of final results***

22 September 2022

Annual General Meeting

23 November 2022

Announcement of interim results

February 2023

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