

**Company Registration No. 6901909**

**WEALTH AT WORK HOLDINGS LIMITED**

**Annual Report and Financial Statements**

**Period from May 11 2009 (Date of Incorporation)  
to 31 December 2009**



## **WEALTH AT WORK HOLDINGS LIMITED**

### **REPORT AND FINANCIAL STATEMENTS 2009**

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## **WEALTH AT WORK HOLDINGS LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

D F Cassidy  
J Watts-Lay  
G Beschizza  
S Payne  
R Stenton (non-executive)  
C Houghton (non-executive)  
G Bissett (non-executive)  
R Altmann (non-executive)

#### **SECRETARY**

M Hutchinson

#### **REGISTERED OFFICE**

5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Manchester, UK

#### **LAWYERS**

Eversheds LLP  
Eversheds House  
70 Great Bridgewater Street  
Manchester  
M1 5ES

#### **BANKERS**

Lloyds TSB Bank plc  
Station House  
Mercury Court  
Tithebarn Street  
Liverpool  
L2 2QP

## **WEALTH AT WORK HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

The Directors present their report and the audited financial statements of Wealth at Work Holdings Limited (the "Company") for the period ended 31 December 2009

#### **DATE OF INCORPORATION**

Wealth at Work Holdings Limited was incorporated on 11 May 2009

#### **PRINCIPAL ACTIVITY**

The principal activity of the Company is that of a holding company. On 31 July 2009, Wealth At Work Group Limited, a subsidiary company of the Company acquired Wealth at Work Limited (previously known as JPMorgan Invest (UK) Limited), a company authorised and regulated by the Financial Services Authority (FSA). The principal activities of the Company's subsidiaries (together the "Group") are the provision of education and advice on tax efficient long-term savings to employees within large UK organisations, and to provide tax efficient investment management services in respect of those employees' long term savings.

#### **REVIEW OF BUSINESS**

The Directors monitor the financial performance and financial position of the Group by reference to the following key performance indicators, the results of which were all satisfactory in the opinion of the Board

	<b>2009</b> <b>£'000</b>
Financial results	
Profit before tax	972
Cash at bank and in hand	5,068
Shareholders' funds at period end	5,243

The Group's principal risk relates to the performance of the economy. The Group is affected by investor sentiment to investing in investment funds, should the equity markets decline this adversely affects investors' appetite and value of assets that fees are earned from.

For the 5 months since acquisition to the period end, the business profitability was better than plan. Funds under management exceeded £85 million on 31 December 2009. Furthermore, the Group signed several key contracts during 2009 that will assist in delivering growth during 2010. As a result the Directors anticipate higher levels of activity in 2010 compared to 2009 and this has been achieved in the first quarter of 2010.

The Group's Balance Sheet remains strong with net assets exceeding £5.2 million and the Group has sufficient cash to allow continued expansion in 2010.

#### **RESULTS AND DIVIDENDS**

The profit on ordinary activities before taxation for the Group for the period was £972,000 and after taxation £972,000.

The Directors do not recommend the payment of a dividend.

#### **POST BALANCE SHEET EVENTS**

There were no significant events since the balance sheet date.

## WEALTH AT WORK HOLDINGS LIMITED

### DIRECTORS' REPORT (continued)

#### GOING CONCERN

After making enquiries and reviewing forecast trading activity, the Directors have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in note 1 to the financial statements.

#### DIRECTORS

The names of the current directors, who have served from the date of incorporation, except where noted below, are listed on page 1.

From 11 May 2009 (the date of incorporation) to date, the following changes have taken place:

Director	Appointed
D Cassidy	11 May 2009
J Watts-Lay	11 May 2009
G Beschizza	11 May 2009
R. Stenton	31 July 2009
C Houghton	31 July 2009
S Payne	22 September 2009
G Bissett	17 February 2010
R. Altmann	1 April 2010

#### FINANCIAL RISK MANAGEMENT

Risk management is an inherent part of the Group's activities. The Group's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its major risks. The Group exercises oversight through the Board of Directors.

The Group's operations expose it to a variety of financial risks, the most significant of which are credit risk, and operational risk. An overview of the key aspects of risk management and the use of financial instruments is provided below.

##### Credit risk

The Company's principal financial assets are bank balances and cash, and trade and other receivables. The Company's credit risk is primarily attributable to its trade debtors. The Company complies with group policies which require monthly monitoring and reporting of exposures to all debtors. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

##### Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events. To monitor and control operating risk, the Group and the Company maintain a system of comprehensive policies and a control framework designed to provide a well-controlled operational environment, and to monitor and record any control failures.

##### Market risk

Market risk is the risk to turnover arising from changes in the performance of the economy. The Company earns annual management fees which are based on the value of funds under management. The Company complies with group risk policies surrounding the monitoring and control of market risk. This includes quarterly investment committee meetings, monthly Board consideration during Board Meetings and ongoing monitoring by the regulatory and compliance department.

## WEALTH AT WORK HOLDINGS LIMITED

### DIRECTORS' REPORT (continued)

#### DIRECTORS INDEMNITIES

The Group has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report

#### SUPPLIER PAYMENT POLICY

The Group's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment. Trade creditors of the Company at 31 December 2009 totalled £32,000

#### AUDITORS

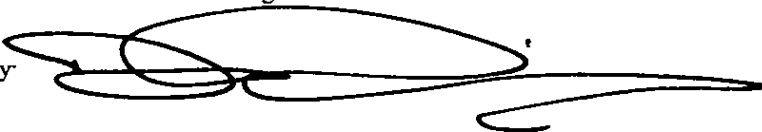
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Group's auditors are unaware, and
- the director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

During the period, Deloitte LLP were appointed to be the Company's Auditor. Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board and signed on its behalf by



D Cassidy  
Director  
26 April 2010  
5 Temple Square  
Temple Street  
Liverpool, L2 5RH

## **WEALTH AT WORK HOLDINGS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the profit or loss of the 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEALTH AT WORK HOLDINGS LIMITED**

We have audited the financial statements of Wealth at Work Holdings Limited for the period ended 31 December 2009 which comprise the Group profit and loss account, the Group and Company balance sheets, the Group cash flow statement and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December and of group profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

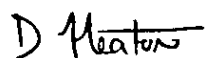
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



David Heaton

(Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Registered Auditors

Manchester, United Kingdom

27 April 2010



# WEALTH AT WORK HOLDINGS LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

Period from 11 May 2009 (Date of incorporation) to 31 December 2009

	Note	11 May to 31 December 2009 £'000	11 May to 31 December 2009 £'000
<b>TURNOVER</b>	2		744
Administrative expenses	3		(1,897)
Other operating income			
Exceptional item relating to recognition of negative goodwill	4	1,961	
Other operating income	5	150	
Total other operating income			2,111
Operating profit			958
Interest receivable and similar income			14
<b>PROFIT ON ORDINARY ACTIVITIES AFTER EXCEPTIONAL ITEMS AND BEFORE TAXATION</b>			972
Taxation	8		-
<b>PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>	16		972

The profit for the period was entirely attributable to equity shareholders of the Company and is derived from continuing operations


The Group has no other recognised gains and losses for the current period other than those shown above, and therefore no separate statement of total recognised gains and losses has been presented

# WEALTH AT WORK HOLDINGS LIMITED

## GROUP BALANCE SHEET As at 31 December 2009

	Note	31 December 2009 £'000
<b>FIXED ASSETS</b>		
Tangible assets	10	-
<b>CURRENT ASSETS</b>		
Debtors	13	719
Cash at bank and in hand		5,068
<b>CREDITORS: amounts falling due within one year</b>	14	544
<b>NET CURRENT ASSETS</b>		5,243
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,243
<b>CREDITORS: amounts falling due after one year</b>		-
<b>NET ASSETS</b>		5,243
<b>CAPITAL AND RESERVES</b>		
Called up share capital	15	1,060
Share premium account	15	3,211
Profit and loss account	16	972
<b>EQUITY SHAREHOLDERS' FUNDS</b>	17	5,243

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2010. They were signed on its behalf by

  
S Payne  
Director

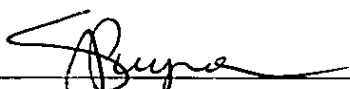
# WEALTH AT WORK HOLDINGS LIMITED

## COMPANY BALANCE SHEET As at 31 December 2009

Company Registration No. 6901909

	Note	31 December 2009 £'000
<b>FIXED ASSETS</b>		
Investments	11	3,810
<b>CURRENT ASSETS</b>		
Debtors	13	370
Cash at bank and in hand		69
<b>CREDITORS amounts falling due within one year</b>	14	59
<b>NET CURRENT ASSETS</b>		380
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,190
<b>CREDITORS: amounts falling due after one year</b>		-
<b>NET ASSETS</b>		4,190
<b>CAPITAL AND RESERVES</b>		
Called up share capital	15	1,060
Share premium account	15	3,211
Profit and loss account	16	(81)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	17	4,190

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2010. They were signed on its behalf by:

  
S Payne  
Director

## WEALTH AT WORK HOLDINGS LIMITED

### GROUP CASH FLOW STATEMENT Period 11 May 2009 to 31 December 2009

	Note	11 May to 31 December 2009 £'000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	18	(1,430)
Capital expenditure and financial investment		-
Acquisitions and disposals	19	2,227
CASH INFLOW BEFORE FINANCING		797
Financing	19	4,271
INCREASE IN CASH IN THE PERIOD	20	5,068

## **WEALTH AT WORK HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Period ended 31 December 2009**

#### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The principle accounting policies are summarised below. All accounting policies have been consistently applied throughout the period.

The financial statements are prepared under the historical cost convention.

##### **Going concern**

These financial statements have been prepared on a going concern basis.

As set out in the Statement of Directors' Responsibilities, in preparing these financial statements the Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors of the Company have considered in detail the Group's and Company's forecast performance, as well as its capital and liquidity resources. On this basis, the Directors have a reasonable expectation that, despite challenging and uncertain market conditions, the Group has sufficient funding and liquidity resources to ensure it will continue in operational existence for the foreseeable future. Accordingly, the Directors of the Group have adopted the going concern basis in preparing these financial statements.

##### **Basis of consolidation**

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2009. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passes. Acquisitions are accounted for under the acquisition method.

##### **Turnover**

Turnover is stated net of VAT. Educational fees are recognised on the day seminars are conducted. Investment management fees include annual management fees and initial fees. Annual management fees are accrued as earned. Initial fees relating to investment management services are recognised when client holdings are transferred.

##### **Interest receivable**

Interest receivable from cash and bank deposits is accounted for on an accruals basis.

##### **Goodwill**

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis. Provision is made for any impairment.

Negative goodwill is similarly included in the balance sheet and is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair value of the non-monetary assets acquired is credited to the profit and loss account in the acquisition period.

## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 1 ACCOUNTING POLICIES (continued)

##### Investments

Fixed asset investments are shown at cost less provision for impairment

##### Pensions and other post-retirement benefits

The Company participates in a defined contribution scheme to which most of its employees participate in. Contributions payable to the scheme in respect of the accounting period are charged to the profit and loss account on an accruals basis.

##### Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Tangible assets are capitalised at cost (including where appropriate attributable costs associated with bringing the asset into working condition) and depreciated by equal annual instalments, over their estimated useful lives as set out below.

Computer equipment	< 4 years
Other equipment	5 years

In all cases, assets may be written off over a shorter period if the useful life of the asset is considered to be less than that implied in the above terms.

##### Tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 2. TURNOVER AND SEGMENTAL INFORMATION

Turnover is stated net of value added tax (VAT) and represents fees receivable in respect of educational fees and investment management fees. The Group has two classes of business and operates in the United Kingdom only.

	2009 £'000
Educational fees	171
Investment management fees	573
	<u>744</u>

#### 3. ADMINISTRATIVE EXPENSES

	2009 £'000
Staff costs (note 6)	1,090
Depreciation of tangible fixed assets	-
Fees payable to Company's auditors for the audit of the Company's annual accounts	-
Fees payable to the Company's auditors for the audit of the Company's subsidiaries	10
Fees payable to the Company's auditors for other services to the Group	46
Bank charges	2
Other expenses payable	749
	<u>1,897</u>

The Company's audit fees of £1,000 have been borne by the subsidiary undertaking and not recharged during the period. The analysis of fees payable to the Company's auditors post appointment for other services to the Company is as follows:

	2009 £'000
Tax services	<u>3</u>

#### 4. EXCEPTIONAL ITEM RELATING TO RECOGNITION OF NEGATIVE GOODWILL

On 31 July 2009, Wealth at Work Group, a subsidiary of the Company, acquired the entire share capital of Wealth at Work Limited (previously JPMorgan Invest (UK) Limited). The consideration paid for the acquisition was £1.00 and the fair value of the assets and liabilities acquired was £2.5 million. Acquisition costs totalled £558,000. All of the assets were monetary in nature. The gain arising on acquisition of £2.0 million, representing the excess of the fair value of assets and liabilities acquired compared with the consideration paid and acquisition costs, has been recognised immediately in the income statement. Note 12 provides further information on the acquisition.

## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 5. OTHER OPERATING INCOME

	2009 £'000
Other income	150
	<u>150</u>

Other income relates to a payment received from the previous parent group, JPMorgan Group

#### 6. STAFF COSTS

	2009 £'000
Wages and salaries	947
Social security costs	102
Other pension costs	41
	<u>1,090</u>

The average monthly number of persons working on behalf of the Group including directors during the period was 48

This is broken down by class of business, as follows

	2009 Number of persons
Education fees	15
Investment management fees	33
	<u>48</u>



## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 7. DIRECTORS REMUNERATION

##### Directors' remuneration

	2009 £'000
Emoluments	315
Company contributions to money purchase pension schemes	13
	<hr/>
	328
	<hr/>

##### The number of directors who.

	2009 Number
Are members of a money purchase pension scheme	6
	<hr/>

##### Remuneration of the highest paid director

	2009 £'000
Emoluments	63
Company contributions to money purchase schemes	2
	<hr/>

## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises

	2009 £'000
<b>Current taxation</b>	
UK Corporation tax at 28%	-
Total current tax	-
<b>Deferred taxation</b>	
Origination and reversal of timing differences	-
	-
Tax (charge) on ordinary activities	-

#### (b) Factors affecting tax charge for period

The tax charge for the period differs from the standard rate of corporation tax in the UK of 28%. The differences are explained below

	2009 £'000
Profit on ordinary activities before taxation	972
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK	272
Effects of	
Income not taxable	(533)
Depreciation in excess of capital allowances	3
Increase in losses to carry forward	258
<b>Current tax charge for period</b>	-

#### 9. LOSS ATTRIBUTABLE TO THE COMPANY

The loss after tax for the financial period dealt with in the financial statements of the parent company was £81,000. As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

# WEALTH AT WORK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

### 10. TANGIBLE FIXED ASSETS

#### GROUP

Computer  
and other  
Equipment  
£'000

#### Cost and Depreciation

As at 11 May 2009

-

Additions from acquisition of subsidiaries

470

As at 31 December 2009

-

#### Net book value

As at 11 May and 31 December 2009

-

### 11. FIXED ASSET INVESTMENTS

2009  
£'000

Subsidiary undertakings

3,810

The parent company and the Group have investments in the following subsidiary undertakings which principally affected the profits or net assets of the Group

	Principal activity	Holding	%
<b>Subsidiary undertakings</b>			
Wealth at Work Group Limited (+)	Holding company	Ordinary shares	100
Wealth at Work Limited	Financial education and wealth management	Ordinary shares	100
(+ ) Held directly by Wealth at Work Holdings Limited			
All subsidiary undertakings are incorporated in England and Wales			

## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 12. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 31 July 2009 the Company acquired 100 per cent of the issued share capital of Wealth at Work Group Limited for consideration with a fair value of £3,810,000

On 31 July 2009 Wealth at Work Group Ltd acquired 100 per cent of the issued share capital of Wealth at Work Limited (previously known as JPMorgan Invest (UK) Limited) for consideration with a fair value of £1 00. Acquisitions are accounted for under the acquisition method

The following table sets out the book value of the identifiable assets and liabilities acquired and their fair value to the Group

	Book value £ 000	Revaluation £ 000	Fair value to group £ 000
<b>Current Assets</b>			
Debtors	153	-	153
Cash at bank and in hand	2,785	-	2,785
	<hr/>	<hr/>	<hr/>
<b>Total assets</b>	<b>2,938</b>	<b>-</b>	<b>2,938</b>
	<hr/>	<hr/>	<hr/>
<b>Creditors</b>	<b>(419)</b>	<b>-</b>	<b>(419)</b>
	<hr/>	<hr/>	<hr/>
<b>Net Assets</b>	<b>2,519</b>	<b>-</b>	<b>2,519</b>
	<hr/>	<hr/>	<hr/>
<b>Negative goodwill recognised</b>			<b>1,961</b>
			<hr/>
			<b>558</b>
			<hr/>
<b>Satisfied by</b>			<hr/>
Cash consideration			-
Capitalised acquisition costs			<b>558</b>
			<hr/>

# WEALTH AT WORK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

### 12. ACQUISITION OF SUBSIDIARY UNDERTAKING (continued)

There were no fair value adjustments to the book values of the assets recognised

Net cash inflows in respect of the acquisition comprised

	£'000
Cash consideration in respect of acquisition costs	(558)
Cash at bank and in hand acquired	2,785
	<u>2,227</u>

Wealth at Work Limited incurred a loss after taxation of £3.4 million in the year ended 31 December 2009, of which £2.5 million arose in the period from 1 January 2009 to 31 July 2009. The summarised profit and loss account for the period from 1 January 2009 to 31 July 2009, shown on the basis of the accounting policies of Wealth at Work Limited prior to the acquisition, are as follows

Profit and loss account	£'000
Turnover	919
Administrative expenses	(3,397)
Other operating income	4
Operating loss	<u>(2,474)</u>
Interest receivable and similar income	14
Loss on ordinary activities before taxation	<u>(2,460)</u>
Taxation	-
Loss on ordinary activities after taxation	<u>(2,460)</u>

### 13. DEBTORS

	Group £'000	Company £'000
Trade debtors	209	-
Other debtors	510	370
	<u>719</u>	<u>370</u>

# WEALTH AT WORK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group</b> <b>£'000</b>	<b>Company</b> <b>£'000</b>
Trade creditors	148	32
Amounts owed to group undertakings	-	1
Accruals	369	26
Deferred income	27	-
	<u>544</u>	<u>59</u>

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

### 15. CALLED UP SHARE CAPITAL

#### COMPANY

**2009**  
**£'000**

#### Authorised share capital

62,000 ordinary A shares of £0 30 each	19
124,667 ordinary B shares of £0 30 each	38
80,000 ordinary C shares of £1 00 each	80
4,061 ordinary D shares of £1 00 each	4
31,802,403 ordinary E shares of £0 10 each	3,180
598,219 ordinary F shares of £1 00 each	598

#### Allotted and fully paid share capital

	<b>Nominal</b> <b>£'000</b>	<b>Premium</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
62,000 ordinary A shares of £0 30 nominal and £0 70 premium each	19	43	62
124,667 ordinary B shares of £0 30 nominal and £0 70 premium each	38	87	125
73,912 ordinary C shares of £1 00 nominal and £1 33 premium each	74	99	173
3,313,333 ordinary E shares of £0 10 nominal and £0 70 premium each	331	2,982	3,313
598,219 ordinary F shares of £1 00 each	598	-	598
	<u>1,060</u>	<u>3,211</u>	<u>4,271</u>

# WEALTH AT WORK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

### 16. RECONCILIATION OF MOVEMENT IN RESERVES

	<u>Group</u>	<u>Company</u>
	Profit and loss account £'000	Profit and loss account £'000
Balance at 11 May 2009	-	-
Profit/(loss) for the period	972	(81)
	<hr/>	<hr/>
Balance at 31 December 2009	972	(81)
	<hr/>	<hr/>

### 17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	<u>Group</u>	<u>Company</u>
	£'000	£'000
Shareholder's funds brought forward at 11 May 2009	-	-
Subscription for share capital	4,271	4,271
Profit/(loss) for the financial period	972	(81)
	<hr/>	<hr/>
Shareholder's funds carried forward	5,243	4,190
	<hr/>	<hr/>

### 18. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2009 £'000
Operating profit	972
Negative goodwill	(1,961)
Increase in debtors	(566)
Increase in creditors	125
	<hr/>
Net cash outflow from operating activities	(1,430)
	<hr/>

Net cash outflow from operating activities relates to continuing activities

# WEALTH AT WORK HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

### 19. ANALYSIS OF CASH FLOWS

	2009 £'000
<i>Acquisitions and disposals</i>	
Purchase of subsidiary undertaking	(558)
Cash acquired with subsidiary undertaking	2,785
<b>Net cash inflow</b>	<b>2,227</b>
<i>Financing</i>	
Issue of ordinary share capital	4,271
<b>Net cash inflow</b>	<b>4,271</b>

Subsidiary undertakings acquired in the period contributed £946,000 to the Group's net operating cash outflows and utilised £nil for capital expenditure

### 20. ANALYSIS AND RECONCILIATION OF NET CASH

	At date of incorporation £'000	Cash flow £'000	31 December 2009 £'000
Cash in hand, at bank	-	5,068	5,068
	-	5,068	5,068



## WEALTH AT WORK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2009

#### 21. DEFERRED TAX ASSET

Group	2009 £'000
Balance at 11 May and 31 December	-
The following deferred tax assets have not been recognised as at the balance sheet date as it is not certain that they will be recoverable in the foreseeable period	
Losses arising but not recognised in the current period	(257)
Capital allowances in excess of depreciation not recognised	(1)
Short term timing differences not recognised	(3)
	(261)
Company	2009 £'000
Balance at 11 May and 31 December	-
The following deferred tax assets have not been recognised as at the balance sheet date as it is not certain that they will be recoverable in the foreseeable period	
Losses arising but not recognised in the current period	(6)
Balance at 31 December	(6)

#### 22. PENSION SCHEMES

##### Pensions and other post-retirement benefits

The Company operates a defined contribution retirement benefit scheme for all qualifying employees of the Group. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. The Company accounts for these in accordance with FRS 17 as follows:

##### Defined contribution scheme

Contributions payable to the scheme in respect of the accounting period are charged to the profit and loss account on an accruals basis. The Group recorded a total pension expense of £41,000 for the period ended 31 December 2009. There were no outstanding contributions in 2009.

#### 23. CONTINGENT LIABILITIES

In 2005, Wealth at Work Limited was awarded a government grant of £700,000, payable in three instalments over a period between 2005 and 2009 and conditional on certain eligibility threshold criteria. The grant agreement contains clauses that could require the grant to be repaid, however Wealth at Work Limited has indemnities from its previous owner that cover part of the grant and therefore Wealth at Work Limited's possible exposure is £150,000. The Directors of Wealth at Work Limited consider the crystallisation of this liability to be possible, though uncertain.

## **WEALTH AT WORK HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Period ended 31 December 2009**

#### **24. RELATED PARTY TRANSACTIONS**

The Group has entered into an agreement to pay a monitoring fee to Lloyds TSB Development Capital Limited totalling £50,000 plus VAT per annum

#### **25. CAPITAL COMMITMENTS**

As at 31 December 2009, the Company and Group did not have any capital commitments