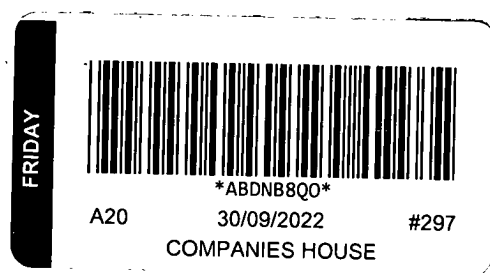


Company Registration No. 06901909

WEALTH AT WORK HOLDINGS LIMITED

Annual Report and Financial Statements

Year ended 31 December 2021



WEALTH AT WORK HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2021

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WEALTH AT WORK HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D. Cassidy
I. Copelin
M. Hutchinson
P. Morton
S. Payne
J. Watts-Lay

SECRETARY

M. Hutchinson

REGISTERED OFFICE

5 Temple Square
Temple Street
Liverpool
L2 5RH

AUDITORS

RSM UK Audit LLP
14th Floor
20 Chapel St
Liverpool
L3 9AG

LAWYERS

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

WEALTH AT WORK HOLDINGS LIMITED

STRATEGIC REPORT

ACTIVITIES OF THE COMPANY

The principal activity of Wealth at Work Holdings Limited (the Company) is that of a holding company. The principal activities of the Company's trading subsidiaries are the provision of financial education, guidance and advice, the provision of investment management services, will writing and estate planning. The Company and its trading subsidiaries together comprise the Group, which is referenced below.

REVIEW OF BUSINESS AND FUTURE OUTLOOK

The Company's financial performance is presented in the profit and loss account on page 9.

The directors monitor the financial performance and financial position of the Company by reference to the following key performance indicators:

	2021 £'000	2020 £'000
Financial results:		
Investments	28,518	28,518
Total assets	28,553	28,553
Shareholder's funds at year end	28,523	28,523

2021 has continued to be impacted by the COVID-19 pandemic, with the emergence of new variants and the resulting economic uncertainties. However, there has been an overall upturn in worldwide equity markets, thanks to the effective rollout of global COVID-19 vaccines and the easing of restrictions and social distancing measures made throughout the year, all of which have helped to boost investor confidence.

The Company's subsidiary entities along with other group entities continued to utilise technology, digital and online business processes to successfully deliver services to clients throughout the year. This enabled the Group to maintain its high level of service to its client base and demonstrates the Company's ongoing operational resilience throughout the ongoing pandemic. The Group experienced growth during the year thanks to the upsurge in world equity markets, new investments received from both new and existing clients and also the resurgence in demand for delivery of educational events.

On 10 September 2021, Wealth at Work Group Limited (at the time the Company's ultimate parent company) completed a further management buyout involving both existing and new investors, resulting in a change to the ultimate parent company, which is now Mercatus Topco Limited, registered in Jersey.

During the year, the Company received dividends from subsidiary companies totalling £7,300,000 (2020: £nil) and distributed dividends to Wealth at Work Group Limited totalling £7,300,000 (2020: £nil). The Company Balance Sheet remains strong with net assets exceeding £28.5 million (2020: £28.5 million).

The directors are satisfied with the development of the Company's activities in the year and foresee no changes to the Company's principal activity in the coming year.

PRINCIPAL RISKS AND UNCERTAINTIES

The inherent principal risk and uncertainty of the Company is the reduction in the value of its investments. The Company typically mitigates this risk by ensuring that its directors have an input into the operational and strategic plans of its subsidiary companies.

The most prominent uncertainties currently under consideration are the economic impact of the ongoing war in Ukraine, supply chain disruption and energy price increases that are helping to drive inflation and increasing the cost of living for UK households. The most significant risks are considered to be: the continued uncertainty in the volatility of future world equity markets and the impact this may have on the valuation of assets (particularly investments) where the valuation is supported by the expected future cash flows of an underlying entity.

The Company has taken action to mitigate this risk, particularly through:

- Continuous monitoring of information used to manage the Company, including sensitivity analysis, to ensure the Company can assess, manage and respond to rapidly changing circumstances, and continue to meet its obligations.
- Ensuring appropriate review of supplier and customer contingency and resilience measures by subsidiary companies.
- Monitoring of trading subsidiary company liquidity positions and treasury management as required.

The Company will continue to monitor and assess assets where the value is derived from the ongoing revenue generated from investment management activities and consider whether this will require any impairments in the value of these assets. The Company's subsidiary entities have experienced growth in equity markets during 2021 and have shown strong operational resilience. Until the war in Ukraine is over, world equity markets are likely to remain volatile

WEALTH AT WORK HOLDINGS LIMITED

STRATEGIC REPORT (continued)

however the response of the Group during the most volatile initial periods of market uncertainty provides reassurance of the Group's continued operational resilience.

FUTURE DEVELOPMENTS

In general terms the market demand for the services provided by the Company's subsidiary entities continues to grow strongly. While the directors recognise the significant uncertainty caused by the factors mentioned above, they are confident that the Group is well positioned to continue to find ways to successfully service all customers and clients, so that high standards of service are maintained and future growth is supported. Therefore, the directors expect the Company's subsidiary entities to continue to generate significant value in the future, which supports the current varying value of the assets.

Approved by the Board and signed on its behalf by:

David Cassidy

D. Cassidy
Director
29 September 2022
5 Temple Square
Temple Street
Liverpool
L2 5RH

WEALTH AT WORK HOLDINGS LIMITED

DIRECTORS' REPORT

DIRECTORS

The current directors who have served during the year and to the date of this report are listed on page 1. The ultimate parent company has made qualifying third party indemnity provisions on behalf of the Company, for the benefit of its directors, which were made during the year and remain in force at the date of this report.

RESULTS AND DIVIDENDS

The profit before taxation for the year was £7,300,000 (2020: £nil) and after taxation £7,300,000 (2020: £nil).

The directors do not recommend the payment of a final dividend (2020: £nil).

FINANCIAL RISK MANAGEMENT

The Company does not hold any financial assets other than shares in Group companies, cash and receivables owed by group undertakings, therefore the directors consider that the Company is not exposed to significant financial risk.

POST BALANCE SHEET EVENTS

The ongoing war in Ukraine is considered to be a non-adjusting post balance sheet event and post balance sheet events of the Company are disclosed within note 16 on page 17.

GOING CONCERN

After making enquiries and reviewing forecast investment activity, including the liquidity and capital position of the Company, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Directors note the continued uncertainty around the ongoing war in Ukraine and the continued recovery from the COVID-19 pandemic. There remains some uncertainty on the future volatility of world equity markets, particularly dependent on the outcome of the situation in Ukraine and whether further new COVID-19 variants emerge, leading to additional Government-imposed restrictions. However, the directors consider these uncertainties to be well managed due to the proactive management of clients' investments by highly qualified investment managers within the Company's trading subsidiaries and the valuable permanent revisions made to the entire business' operating model in light of the pandemic, which will help to mitigate these factors, along with the continued uptake of any future UK Governmental support measures, as relevant. These have been disclosed in the Strategic Report on page 2.

The Company Balance Sheet remains strong with net assets exceeding £28.5 million (2020: £28.5 million) and a cash position of £34,000 at the year-end date (2020: £34,000), which the Directors consider adequate in light of currently available information, and for this reason the Directors 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.

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 Company's auditor is unaware; and
- the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is 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.

Approved by the Board and signed on its behalf by:

David Cassidy

D. Cassidy
Director
29 September 2022
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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 company will continue in business.

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

WEALTH AT WORK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEALTH AT WORK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Wealth at Work Holdings Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

WEALTH AT WORK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEALTH AT WORK HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

WEALTH AT WORK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEALTH AT WORK HOLDINGS LIMITED (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

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

Hugh Fairclough

Hugh Fairclough (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
14th Floor
20 Chapel St
Liverpool
L3 9AG

29 September 2022

WEALTH AT WORK HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2021

	Note	2021 £'000	2020 £'000
TURNOVER		-	-
Income from shares in group undertakings		7,300	-
Operating profit	3	7,300	-
PROFIT BEFORE TAXATION		7,300	-
Taxation	6	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		7,300	-

The result for the current and preceding year was entirely attributable to equity shareholders of the Company and is derived from continuing operations.

The Company has no other recognised gains and losses for the current and preceding year other than those shown above, and therefore no separate statement of total comprehensive income has been presented.

WEALTH AT WORK HOLDINGS LIMITED

BALANCE SHEET As at 31 December 2021

Company Registration No. 06901909

	Note	2021 £'000	2020 £'000
FIXED ASSETS			
Investments	8	28,518	28,518
CURRENT ASSETS			
Debtors	9	1	1
Cash at bank and in hand		34	34
		35	35
CREDITORS: amounts falling due within one year	10	(30)	(30)
NET CURRENT ASSETS		5	5
TOTAL ASSETS LESS CURRENT LIABILITIES		28,523	28,523
CAPITAL AND RESERVES			
Called up share capital	11	10,000	10,000
Share premium account	11	-	-
Profit and loss account		18,523	18,523
SHAREHOLDERS' FUNDS		28,523	28,523

The notes and information on pages 12 to 17 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2022.
They were signed on its behalf by:

S Payne

S. Payne
Director

WEALTH AT WORK HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY Year ended 31 December 2021

	Note	Share Capital £'000	Share Premium £'000	Profit and loss account £'000	Shareholder's Equity £'000
Balance as at 1 January 2020		17,462	11,703	(642)	28,523
Movement to capital reduction reserve		(7,462)	(11,703)	19,165	-
Profit for the year		-	-	-	-
As at 31 December 2020		10,000	-	18,523	28,523
Balance as at 1 January 2021		10,000	-	18,523	28,523
Profit for the year		-	-	7,300	7,300
Dividends issued	7	-	-	(7,300)	(7,300)
As at 31 December 2021		10,000	-	18,523	28,523

During the prior year, the Company carried out a capital reduction exercise. This resulted in a reduction in share capital of £7,462,000, a complete reduction in share premium of £11,703,000 and corresponding transfer of distributable reserves to the profit and loss account. This was approved and processed by the prior year end date.

WEALTH AT WORK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

General information and basis of accounting

Wealth at Work Holdings Limited (the "Company") is a private company, limited by shares, incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The functional currency of Wealth at Work Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

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

As the Company is a wholly owned subsidiary of Wealth at Work Group Limited, as permitted by section 400 of the Companies Act 2006, it has not prepared consolidated accounts as its results, cash flows and balance sheet are contained within the consolidated accounts of the parent company Wealth at Work Group Limited.

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 Company will continue in business.

Each year the directors consider any exceptional circumstances which occur and which may call into question the appropriateness of adopting the going concern basis in preparing the financial statements. In particular this year the war in Ukraine and the ongoing impact of the COVID-19 pandemic have been considered in depth, details of which are disclosed in the Strategic Report on page 2 and Directors' Report on page 4. The directors of the Company have considered in detail the Company's forecast performance, utilising Group forecast models which project trading and cash flows for the next three years, as well as its capital and liquidity resources. On this basis, the directors have a reasonable expectation that the Company has sufficient funding and liquidity resources to ensure it will continue in operational existence for the foreseeable future. Accordingly, the directors of the Company have adopted the going concern basis in preparing these financial statements.

Cash flow statement

The Company has taken advantage of the exemption in FRS 102 section 1.12 in not producing a cash flow statement as its cash flows are included in the consolidated cash flow statement of the ultimate parent company, Wealth at Work Group Limited, which are publicly available.

Related party transactions

As the Company is a wholly owned subsidiary undertaking it has taken advantage of an exemption under FRS 102 section 33 "Related party disclosures" and has not disclosed transactions with group companies.

Turnover

Turnover represents amounts derived from dividend income received from subsidiary companies.

Income from shares in group undertakings

Dividends receivable from subsidiary companies are recognised when the right to receive payment is established.

Interest receivable

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

Investments

Fixed asset investments are shown at cost less provision for impairment. A review for indicators of impairment is completed annually. If these are deemed to exist an assessment of value is performed and if required, provision is made for any impairment. In assessing impairment, the recoverable amount of an investment is compared to its carrying amount and any impairment recognised in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2021

1. ACCOUNTING POLICES (continued)

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 substantively 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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Given the ongoing uncertainty as a result of the war in Ukraine and the COVID-19 pandemic, the directors continue to take into account when assessing the judgements, estimates and assumptions made in determining the carrying amounts of assets and liabilities for the Company, the factors that may contribute towards future equity market volatility, such as the varying potential outcomes of the war in Ukraine, the emergence of new COVID-19 variants, the reintroduction of lockdown restrictions, cost of living rises and economic support packages announced by governments worldwide. These factors mean that world equity markets are likely to remain volatile, which will impact the valuation of the Company's investments in its subsidiary undertakings and also future cash flows.

Critical judgements in applying the Company's accounting policies

In assessing the potential for impairment of investments, the directors are required to use their judgement to determine if indicators of impairment exist. If no indicators exist, no assessment of valuation is performed. The directors also use their judgement in the application of the Going Concern accounting policy (see note 1). There have been no other judgements made by the directors in the process of applying the Company's accounting policies that have had a significant effect on amounts recognised in the financial statements.

Key sources of estimation uncertainty

Impairment of investments

If indicators of impairment exist, management generate an estimate of recoverable value of the investments. In assessing whether investments are impaired management consider the long term performance forecasts and cash generative potential of the investments as well as assessing the potential value achievable if the investment were to be sold.

The above key source of estimation uncertainty is affected by the usual inherent market volatility however the ongoing global events continue to impact fluctuations in world equity markets, which will affect all of the estimates and assumptions listed above.

3. OPERATING PROFIT

The audit fees of £2,125 (2020: £1,000) have been borne by the subsidiary undertaking and not recharged during the year. The comparative figures were paid to the previous auditor. During the year, the Company appointed RSM UK Audit LLP as statutory auditor.

WEALTH AT WORK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2021

4. STAFF COSTS

The average monthly number of persons working on behalf of the Company, including directors, during the year was 6 (2020: 6). These costs have been borne by another group company and there have been no staff costs in the Company for the current or prior year.

5. DIRECTORS REMUNERATION

Key management personnel are deemed to be the executive directors responsible for planning, directing and controlling the activities of the Company.

All directors of the Company are remunerated by another Group company and no amounts are directly recharged.

The total remuneration of the directors of Wealth at Work Limited for the year ended 31 December 2021 was £1,338,000 (2020: £1,189,000) for services provided to the wider group. The highest paid director received total remuneration for the year ended 31 December 2021 of £302,000 (2020: £235,000). No directors are members of a money purchase pension scheme.

6. TAXATION

The tax charge comprises:

	2021 £'000	2020 £'000
Current taxation		
UK Corporation tax at 19% (2020: 19%)	-	-
Total current tax	-	-
Deferred taxation	-	-
Tax charge	-	-

Factors affecting tax charge for year

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are explained below:

	2021 £'000	2020 £'000
Profit on ordinary activities before taxation	7,300	-
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK	1,387	-
Effects of:		
Income not taxable	(1,387)	-
Effects of group relief/other reliefs	-	-
Total tax charge for year	-	-

7. DIVIDENDS

	2021 £'000	2020 £'000
Ordinary shares of £1 each		
Interim	7,300	-

WEALTH AT WORK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2021

8. FIXED ASSET INVESTMENTS

	2021 £'000	2020 £'000
Subsidiary undertakings	28,518	28,518

The Company has investments in the following subsidiary undertakings.

Subsidiary undertakings	Principal activity	Holding	%
Wealth at Work Midco Limited	Holding company	Ordinary shares	100
Wealth at Work Trustees Limited	Employee Benefit Trust	Ordinary shares	100
Wealth at Work Pension Trustees Limited	Dormant company *	Ordinary shares	100

* Exempt from the requirements to prepare, file and audit individual financial statements under s394A and s479A of Companies Act 2006

All subsidiary undertakings are incorporated in England and Wales. The registered address of both entities is the same as that of the Company and can be found on page 1.

There has been no movement in the value of investments in subsidiaries during the year.

The potential impact on the Company's future valuation of its investments as a result of the ongoing world events, including the war in Ukraine and the COVID-19 pandemic, is disclosed in note 2.

9. DEBTORS

	2021 £'000	2020 £'000
Other debtors	1	1
	1	1

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

10. CREDITORS

	2021 £'000	2020 £'000
Amounts owed to Group undertakings	30	30
	30	30

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

WEALTH AT WORK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2021

11. CALLED UP SHARE CAPITAL

Allotted and fully or partly paid share capital	Nominal £'000	2021 Premium £'000	Total £'000	Nominal £'000	2020 Premium £'000	Total £'000
10,000,000 ordinary shares of £1.00 each (2020: 10,000,000)	10,000	-	10,000	10,000	-	10,000
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>

The Company's ordinary shareholders are each entitled to one vote and to an equal distribution of dividends. The shares are non-redeemable.

During the prior year, the Company carried out a capital reduction exercise, details of which are disclosed in the Statement of Changes in Equity on page 11.

12. DEFERRED TAX

	2021 £'000	2020 £'000
Balance at 1 January 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:

	2021 £'000	2020 £'000
Balance brought forward	(1)	(1)
Adjustment in respect of prior periods	-	-
Losses utilised during the year	-	-
Balance at 31 December	<u>(1)</u>	<u>(1)</u>

13. CAPITAL COMMITMENTS

As at 31 December 2021, the Company did not have any material capital commitments (2020: £nil).

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of exemptions permitted under FRS 102 to not disclose balances and transactions with other group companies.

15. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Wealth at Work Group Limited, registered in England and Wales, and the ultimate holding company is Mercatus Topco Limited, registered in Jersey.

The parent company of the smallest group for which consolidated financial statements are prepared is Wealth at Work Group Limited, which is registered in England and Wales. The consolidated financial statements of Wealth at Work Group Limited are available to the public and may be obtained from the Company's registered office at:

The Company Secretary
5 Temple Square
Temple Street
Liverpool
L2 5RH

WEALTH AT WORK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2021

15. ULTIMATE CONTROLLING PARTY (continued)

The parent company of the largest group for which consolidated financial statements are prepared is Mercatus Topco Limited, which is registered in Jersey at:

2nd Floor
Sir Walter Raleigh House
48-50 Esplanade
St Helier
JE2 3QB
Jersey

In the opinion of the directors, the Company has no individual controlling party.

16. POST BALANCE SHEET EVENTS

Russia's invasion into Ukraine was announced at the end of February 2022 and it has already caused significant worldwide economic implications, such as increases to energy prices, fluctuations in foreign exchange rates, uncertainty in equity markets and interest rate rises. Due to the ongoing volatility in world equity markets as the situation unfolds, the Company considers the Ukraine war to be a non-adjusting post balance sheet event since market movements are intrinsically linked with the Company's trading subsidiaries' recurring investment management revenue streams, which will impact the valuation of the Company's investments in its subsidiary undertakings.