Artorius Wealth Management Limited

Annual report and financial statements
Registered number 09285538

For the year ended 30 April 2022

Contents

Strategic report

Review of the business

The Company provides wealth management and advisory services, together with a discretionary investment management service to high and ultra-high net worth individuals and their families. Services offered by the Company include wealth advice in the form of financial and strategic planning, credit advice, investment management and family office services. Artorius Wealth Management Limited is directly regulated by the UK Financial Conduct Authority ("FCA").

The revenue of the Company totalled £7,071,420 (2021: £5,026,337), an increase of £2,045,083. The increase is explained by increased assets under management from new client mandates won and increased transactional activity.

The directors are satisfied with the performance of the Company in the year. The profit before tax for the Company of £365,041 (2021: £226,112) was ahead of budget, and reflects the business plan of investment for growth in new staff, infrastructure and development of service lines. After a successful Group capital raise in summer 2018, the Company has invested into the UK regions during 2019 to 2022 which is showing returns from continued AUM growth.

As at 30 April 2022, the Company had net assets of £4,591,939 (2021: £3,515,399).

The Company's key financial and other performance indicators during the year were as follows:

	Year ended 30 April 2022 £	**Year ended 30 April 2021 £**
Turnover	7,071,420	5,026,337
Operating expenses	6,706,379	4,800,225
Operating profit	365,041	226,112
Shareholder's equity	4,591,939	3,515,399
Assets under management (notional)*	1,494,419,000	1,160,055,146
a) AUM at start of year	*1,160,055,146*	*820,022,672*
b) Growth	*334,363,854*	*340,032,474*

* Assets under management (notional) represent all client assets that are managed, advised or influenced through discretionary, advisory and family trust mandates at the period end in GBP equivalent, and weighted at a revenue margin of 0.5% from the underlying recurring mandate fee charging structure.

Strategic report (continued)

Future Prospects

The Artorius Group continues to develop a target client strategy which has attracted clients and assets successfully over the initial start-up period of the Group from our specialisms, strengths and differentiators. These factors, when taken together with strong client service, new business acquisition and robust portfolio management give the directors confidence that the Company will emerge from the coronavirus crisis stronger.

The directors continue to anticipate further strategic investment into front office personnel, operational systems and marketing to support the Company reach its long-term targets. The Company is anticipating further growth from new client mandates that will commence in the financial year 30 April 2023.

Approved by the board on 22 August 2022 and signed on its behalf by

Ian Bennett
Director
22 August 2022

2nd Floor, The Boardwalk
21 Little Peter Street
Manchester
M15 4PS

Directors' report

The directors present their annual report on the affairs of Artorius Wealth Management Limited (the "Company"), together with the financial statements and auditor's report, for the year ended 30 April 2022.

Directors

The directors who held office during the year and to the date of this report were as follows:

Michael Toole (resigned 1st March 2022)
Ian De Burgh Marsh
Gerard Lane
Ian Bennett
Patrick Charles Mansel Lewis

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

Going concern

The directors responded swiftly to the onset of the pandemic, the Government imposed lock-down measures and the markets' reactions to these events. A variety of measures were introduced to mitigate the potential harm to the business, including the implementation of business continuity plans which enabled the Artorius Group to move to entire home-based working practices. The transition to working from home during the coronavirus crises has been successful, as the business had previously benefitted from flexible working practices which embraced modern IT technology and systems. The Company's open architecture approach to wealth management has allowed the Company to select the best custody platforms to protect client money and client assets through the coronavirus crisis. Appropriate cost control measures were taken early to preserve Company regulatory capital for a prolonged period of coronavirus which would add stress to market levels, and as a consequence stress recurring management fee income. This has enabled the Company to continue to trade profitably at the adjusted EBITDA level and also at profits before taxation during lock-down.

Given the exceptional circumstances, the directors undertook a detailed review of the Company's business to confirm the continued propriety of the going concern assumption as the basis on which to prepare the accounts for the year ended 30th April 2022. As a part of this review process, new budgets were prepared on a worst-case scenario basis with costs being removed from the business where possible.

As a regulated business, the directors have also undertaken stress tests on its core business model in line with the FCA Internal Capital Adequacy Risk Assessment (ICARA) requirements following the impact of coronavirus. The assessment reviews both the regulatory capital and liquidity of the Company over a 5-year period, and includes a core worst case stress test assumption is that a significant fall in markets would lead to a fall in revenue for a prolonged period. In assessing the capital and liquidity requirements, the directors have included a voluntary capital provision to withstand a 25% market decline through the 5-year business plan, as well as demonstrating an ability to absorb a 50% market decline for a prolonged period.

The directors remain confident that the business will now continue to trade profitably at the profits before taxation over the next 12 months from the date of the directors' report, and as a consequence, the going concern assumption continues to be the appropriate basis on which to prepare the Company's accounts.

Directors' report (continued)

Disclosure of information to auditor & auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Dividends

No dividends were paid to the shareholders by the Company during the year (2021: £nil). The board has not recommended that a final dividend be paid (2021: £nil).

Employees

The Company has 40 employees as at 30 April 2022 (30 April 2021: 28). The number of employees excludes central staff employed directly by Artorius Wealth Limited including directors.

Political & Charitable Donations

The Company has made no political or charitable donations during the year (2021: £nil). Artorius Wealth Limited the parent company does make charitable donations, and those are disclosed within the financial statements.

Financial risk management, risks and uncertainties

Risk management is an inherent part of the Company's activities. The Company's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its major risks. The Company exercises oversight through the board of directors. The Company's operations expose it to a variety of financial risks, the most significant of which are credit risk, operational risk and market 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 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 of all trade debtors. The credit risk on liquid funds is considered 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 Company maintains 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 seeks to manage this risk for clients and the Company by recommending, where suitable, diversification of assets, and through investing in expertise and resource that will enable the Company to proactively respond to changes in the economic environment. The Company complies with group risk policies surrounding the monitoring and control of market risk. This includes monthly board consideration during board meetings and regular investment committee meetings.

Directors' report (continued)

Financial risk management, risks and uncertainties (continued)

Other risks

Loss of clients. The Company seeks to provide a high level of service to its clients, and deliberately focuses on a relatively small client base, so that it can maintain a high service level. Loss of clients could therefore materially affect the performance of the business. This risk is mitigated through continued provision of the highest levels of customer service to ensure that clients remain with the Company.

Cybercrime (data integrity and security). By the nature of its activities, the Company holds personal information on its clients and takes its responsibilities to safeguard this information extremely seriously. It is well documented that the threat from cybercrime is increasing. The Company continues to invest in computer software and hardware and outsources services to specialist providers to ensure the necessary protective measures are taken. All employees are required to treat client information with the highest levels of confidentiality and any breach of this nature would be treated seriously.

Regulatory capital. We anticipate this requirement to increase further as the Company grows, and in particular the fixed overhead cost base grows (regulatory capital requirement is linked to the fixed overheads of the business).

COVID-19. Additionally there is a risk that "COVID-19" has a detrimental impact on the Company, either by reducing revenue from lower client portfolio valuations following the wider dislocation of capital markets, or by reducing new business growth from changes to social interaction as well as the a reduction in overall wealth creation. The business has continued to win clients during the social distancing restrictions during the COVID-19 pandemic. Clients continue to seek high quality wealth management services, as provided by the Company, to assist them in navigating their financial plans though this unprecedented period of uncertainty.

Future developments in the business and post balance sheet events

Details of future development of the Company can be found in the strategic report on page 4 and form part of this report by cross reference. Post balance sheet events are reported within note 11.

Approved by the board on 22 August 2022 and signed on its behalf by

Ian Bennett
Director
22 August 2022

2nd Floor, The Boardwalk
21 Little Peter Street
Manchester
M15 4PS

Statement of directors' responsibilities in respect of the directors' report, strategic report and the financial statements

The directors are responsible for preparing the directors' report, the strategic 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 judgements and 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. As explained in note 1, the directors do believe that it is appropriate to prepare these financial statements on a going concern basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Artorius Wealth Management Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Artorius Wealth Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account and the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Independent auditor's report to the members of Artorius Wealth Management Limited (continued)

Report on the audit of the financial statements (continued)

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.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

Independent auditor's report to the members of Artorius Wealth Management Limited (continued)

Report on the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's operating licence under Financial Conduct Authority regulation.

We discussed among the audit engagement team including relevant internal tax specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the calculation and recording of discretionary in-house calculated discretionary management fees, and performed the following specific procedures to address this risk:

- Assessed the design and implementation ("D&I") of key controls around the process;
- Tested a sample of the revenue calculations by:
    - agreeing the fee rates used in management's fee calculations to client contracts;
    - agreeing the investment valuations used in management's fee calculations to custodian reports; and
    - reviewed the mechanical accuracy and formulae within management's fee calculations.
- Recalculated and reconciled the accrued income adjustments to the year-end revenue balance; and
- Calculated an expectation for cash receipts arising from revenue during the period using the movement within debtors and revenue recorded in the period, and compared this expectation against actual cash receipts.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with the financial conduct authority.

Independent auditor's report to the members of Artorius Wealth Management Limited (continued)
Report on other legal and regulatory requirements

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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Patrick Werner

Patrick Werner CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Edinburgh, United Kingdom
22 August 2022

Profit and loss account and statement of other comprehensive income
for the year ended 30 April 2022

	Note	Year ended 30 April 2022 £	Year ended 30 April 2021 £
Turnover	2	7,071,420	5,026,337
Operating expenses		(6,706,379)	(4,800,225)
Operating profit		**365,041**	**226,112**
Profit before taxation		**365,041**	**226,112**
Tax /credit on profit	6	711,499	20,162
Profit after taxation		**1,076,540**	**246,274**

All results derive from continuing operations.

There was no other comprehensive income or expense in either year.

The accompanying notes on pages 17 to 25 form part of these financial statements.

Balance sheet
at 30 April 2022

	Notes	30 April 2022 £	30 April 2021 £
Current assets			
Debtors	7	2,839,786	2,104,911
Cash at bank and in hand		2,944,064	1,750,769
		5,783,850	3,855,680
Creditors: amount falling due within one year	8	(1,191,911)	(340,281)
Net current assets		**4,591,939**	**3,515,399**
Net assets		**4,591,939**	**3,515,399**
Capital and reserves			
Called up share capital	9	54,000	54,000
Capital contribution reserve	9	4,439,980	4,439,980
Profit and loss account		97,959	(978,581)
Shareholder's equity		**4,591,939**	**3,515,399**

The accompanying notes on pages 17 to 25 form part of the financial statements.

These financial statements were approved by the board of directors on 22nd August 2022 and were signed on its behalf by:

Ian Bennett
Director
22nd August 2022

Company registered number: 09285538

Statement of changes in equity

	Called up share capital	Capital contribution reserve	Profit and loss account	Shareholder's equity
	£	£	£	£
Balance at 1 May 2020	**54,000**	**4,439,980**	**(1,224,855)**	**3,269,125**
Profit for the year ended 30 April 2021	-	-	246,274	246,274
Balance at 30 April 2021	**54,000**	**4,439,980**	**(978,581)**	**3,515,399**
Profit for the year ended 30 April 2022	-	-	1,076,540	1,076,540
Balance at 30 April 2022	**54,000**	**4,439,980**	**97,959**	**4,591,939**

The accompanying notes on pages 17 to 25 form part of the financial statements.

Cash flow statement
for year ended 30 April 2022

	Year ended 30 April 2022 £	Year ended 30 April 2021 £
Cash flows from operating activities		
Operating profit/(loss)	365,041	226,112
Taxation	-	20,162
Increase in trade and other debtors	(23,305)	(975,299)
Decrease in trade and other creditors	851,560	187,456
Net cash from operating activities	**1,193,296**	**(541,569)**
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Net cash from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	1,193,296	(541,569)
Cash and cash equivalents at 1 May	1,750,769	2,292,338
Cash and cash equivalents at 30 April	**2,944,064**	**1,750,769**

The Company holds no net debt at 30th April 2022.

The accompanying notes on pages 17 to 25 form part of the financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Artorius Wealth Management Limited (the "Company") is a private company limited by shares and incorporated in the United Kingdom under the Companies Act and registered in England & Wales. The registered number is 09285538 and the registered address is 2nd Floor, The Boardwalk, 21 Little Peter Street, Manchester, M15 4PS.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the United Kingdom and Republic of Ireland (*"FRS 102"*) as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £.

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.

1.1 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, 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.

No critical judgements or key estimations have been made in the process of applying the Company's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

1.2 Going concern

As an FCA regulated entity, the going concern status of the Company is also dependent on it having sufficient regulatory capital as prescribed by the FCA. The directors have planned out revenue and costs for the Company over the next 5 years and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and can meet regulatory requirements as set out by the FCA. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company has significant cash reserves to finance its own activities. Should additional funds be required, these could be provided from the cash reserves of the Artorius Wealth group.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Revenue

Revenue recognised in the period to date represents fees for investment advisory services and fees for discretionary and advisory investment management services. Revenue on discretionary and advisory investment management services accrues on a monthly basis at a contractually agreed margin applied to the market value of the client's assets.

Revenue on investment advisory services and execution services is recognised on completion of the underlying transaction for which advisory or consultancy services have been provided.

1.5 Measurement convention

The financial statements are prepared on the historical cost basis.

Notes *(continued)*

1.6 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.7 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes *(continued)*

2 Revenue

As Artorius Wealth Management Limited only operates in the United Kingdom, all revenue is attributable to that geographical location only.

	2022	2021
	£	£
Discretionary management fees	3,991,029	2,877,381
Advisory management fees	2,625,847	1,966,434
Advisory services and execution transactional fees	454,544	185,522
	7,071,420	5,026,337

3 Expenses and auditor's remuneration

The Company has incurred the expenses of current and prior year audit within the central management recharge reflected below recharged on a usage & time allocated basis.

Included in profit/loss are the following:

	2022	2021
	£	£
Artorius Wealth Limited central management recharge	2,650,000	2,200,193

All audit and taxation compliance service costs have been expensed to Artorius Wealth Limited for the year ended 30 April 2022 and 2021. The group audit fee recognised within Artorius Wealth Limited is £70,000 (2021: £45,000, and non-audit services totals £25,000 (2021: £31,000). The company audit fee recognised within Artorius Wealth Management Limited is £50,000 (2021: £25,000, and non-audit services totals £10,500 (2021: £10,000).

4 Staff numbers and costs

The average number of staff employed in the year, including directors during the year, analysed by category, was as follows:

	No of employees 2022	No of employees 2021
Directors	-	-
Client-facing	15	13
Client support	9	9
Investment & operational staff	16	6
	40	28

The above staff number notes excludes central staff employed directly by Artorius Wealth Limited including directors.

Notes (continued)

4 Staff numbers and costs (continued)

The aggregate payroll costs of these persons and amounts recharged for seconded staff from Artorius Wealth Limited were as follows:

	2022 £	2021 £
Wages and salaries	3,371,107	2,503,479
Social security costs	341,597	262,275
Contributions to defined contribution plans	242,364	177,395
	3,955,067	2,943,149

5 Directors' remuneration

Directors of the Company are remunerated by Artorius Wealth Management Limited's ultimate parent Company and an appropriate amount representing the services performed on behalf of the Company is recharged. The total remuneration of the directors recharged to Artorius Wealth Management Limited for the year ended 30 April 2022 was £657,026 (2021: £449,650). The recharge sum for highest paid director received total remuneration for the year ended 30 April 2022 of £169,526 (2021: £120,782). The rise in director remuneration recharge reflects the increased level of support from the ultimate parent Company following the simplification of regulated activity within UK entities in the prior year, as set out in the strategic report.

6 Taxation

Total tax expense recognised in the profit and loss account

	2022 £	2021 £
Current tax		
Current tax credit on profit/loss for the year	(41,145)	(11,704)
Adjustment in respect of previous periods	41,216	(8,458)
Total tax charge/(credit)	71	(20,162)

Notes *(continued)*

6 Taxation (continued)

	2022 £	2021 £
Provision for deferred tax		
Movement in provision		
Provision at start of year	-	-
Origination and reversal of timing differences	540,793	-
Effect of changes in tax rates	170,777	-
Provision at end of period	711,570	-
Deferred tax (asset)/liability not recognised	-	(619,069)
Total tax charge/(credit)	**(711,499)**	**(20,162)**

In June 2021, the Finance Act 2021 was enacted to increase the UK corporation tax rate from 19% to 25% from 1 April 2023. The tax balances of the Company have been recognised at a rate of 19% at which these are expected to unwind.

	2022 £	2021 £
Reconciliation of tax credit		
Profit on ordinary activities before tax	365,041	226,112
Tax on profit on ordinary activities at standard rate of corporation tax of 19% (2021: 19%)	69,358	42,961
Adjustments for previous periods	41,216	(8,458)
Expenses not deductible for tax purposes	531	119
Tax rate changes	(170,777)	-
Deferred tax not provided	(651,827)	(54,784)
Tax credit per accounts	**(711,499)**	**(20,162)**

Deferred tax assets

At 30 April 2021, the company had tax losses of £619,069 however based on the taxable profit expectations of the company, deferred tax had not been recognised on these losses. If deferred tax had been recognised on the tax losses, this would produce a total deferred tax asset of £117,623 at 30 April 2021.

Given the profitability and expectation of future profitability, at 30 April 2022 management recognised a deferred tax asset of £711,570.

Notes *(continued)*

7 Debtors

	2022 £	2021 £
Trade debtors	33,746	503,363
Deferred tax asset	711,570	0
Amounts owed from group undertakings	-	475,193
Group relief debtors	-	20,162
Prepayments and accrued income	2,094,470	1,106,193
	2,839,786	**2,104,911**

Amounts owed from group undertakings are unsecured, interest free and repayable on demand. All debtor balances are measured at cost less impairment.

8 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	400,000	-
Group relief creditor	71	-
Accruals and deferred income	774,720	266,521
Taxation and social security	17,120	73,760
	1,191,911	**340,281**

All creditor balances are measured at cost less impairment. Amounts owed to group undertakings are unsecured, interest free, and repayable on demand.

9 Capital and reserves

Share capital

The Company has the following class of shares in issue at 30 April 2022, which has a nominal value of £0.01 per share:

	30 April 2022 Number allotted, called up and fully paid	£	30 April 2021 Number allotted, called up and fully paid	£
A ordinary shares (of 1 pence per share)	5,400,000	54,000	5,400,000	54,000

The shares do not carry a right to fixed income. The holders of ordinary shares are entitled to receive dividends as declared from time to time.

Capital contribution reserve

	2022 £	2021 £
Capital contribution reserve	4,439,980	4,439,980

The capital contribution reserve represents capital contributions made in prior periods by the company's immediate parent undertaking, Artorius Wealth (UK) Limited.

Notes *(continued)*

10 Dividends paid

No dividends have been declared or paid in the current or prior year.

11 Ultimate parent company and parent company of larger group

The Company's immediate parent undertaking is Artorius Wealth (UK) Limited, and its ultimate parent undertaking is Artorius Wealth Limited, a Company incorporated and domiciled in the United Kingdom. The Company is included in the consolidated financial statements of Artorius Wealth Limited. Artorius Wealth (UK) Limited does not prepare consolidated financial statements.

Copies of the financial statements of the Company's immediate and ultimate parent undertakings are available from 2nd Floor, The Boardwalk, 21 Little Peter Street, Manchester, M15 4PS.

11 Post balance sheet events

The Company has no post balance sheet events to disclose.

Notes *(continued)*

12 Financial instruments

Nature and extent of risk arising from financial instruments

The Company's financial assets principally comprise trade and other receivables and cash, and its financial liabilities principally comprise trade and other payables. The main risks arising from financial instruments are market risk, liquidity risk and credit risk. Each of these risks is discussed in detail below.

Risk management is an inherent part of the Company's activities. The Company's risk management framework and governance structure are intended to provide comprehensive controls and ensure that risk management practices appropriate to the Company are put in place. The Company exercises oversight through the board of directors.

a) Market risk – made up of Interest rate risk; foreign exchange risk and price risk:

Interest rate risk is the risk that the Company will sustain losses from adverse movements in interest-bearing financial instruments. There is an exposure to interest rates on banking deposits held in the ordinary course of business, which at 30 April 2022 totalled £2,944,064 (2021: £1,750,769). The Company has no external borrowings and as such is not exposed to interest rate risk on borrowings. No income was generated from interest in the period (2021: £nil) and as such the impact of interest rate risk is considered immaterial to the Company at present.

Foreign exchange risk is the risk that the Company will sustain losses through adverse movements in currency exchange rates. The Company is entirely located within the UK and has minimal transactions in foreign currencies. As such the Company is not exposed to significant foreign exchange translation or transaction risk and consequently does not hedge any foreign currency assets or liabilities.

Price risk is the risk to profitability arising from changes in the value of services provided by the Company. Significant sources of revenue for the Company are the investment management fees which are based on the value of funds under management. These assets are not on the Company's balance sheet. The Company does not hedge its revenue exposure to movements in the value of client assets arising from these risks, and so the interests of the Company are aligned to those of its clients.

b) Liquidity risk:

The Company is exposed to liquidity risk, namely the risk that it may be unable to meet its payment obligations as they fall due. The Company has significant liquid assets and actively forecasts and monitors cash flows and cash balances to ensure that the Company has sufficient available funds for operations. The table below analyses the maturities of the undiscounted cash flows relating to financial liabilities of the Company based on the remaining period to the contractual maturity date at the balance sheet date.

As at 30 April 2022	**0-3 Months**	**3-6 Months**	**6-12 Months**	**Over 1 Year**
	£	**£**	**£**	**£**
Amounts owed to group undertakings	400,000			
Group relief creditor	71			
Accruals and deferred income	774,720	-	-	-
Taxation and social security	17,120	-	-	-
Balance at 30 April 2022	**1,191,911**	-	-	-

Notes *(continued)*

12 Financial instruments (continued)

c) Credit risk:

The Company has no significant concentration of credit risk as credit exposure is spread over a large number of customers. Credit risk within the Company is primarily attributable to its trade receivables, predominantly with its corporate clients for provision of financial education. Credit risk is therefore considered to be limited and the amounts presented in the balance sheet are net provisions for doubtful receivables.

Cash is held with UK banks, with the credit risk on liquid funds minimised by the careful selection of counterparty banks with high credit ratings assigned by international credit-rating agencies.

The maximum exposure to credit risk is as per the balance sheet. The table below shows an analysis of financial assets that are past due but not impaired as at the balance sheet date.

As at 30 April 2022	0-3 Months	3-6 Months	6-12 Months	Over 1 Year
	£	£	£	£
Trade debtors	33,746	-	-	-
Deferred tax asset	-		711,570	
Group relief debtor	-	-	-	-
Prepayments and accrued income	2,094,470	-	-	-
Balance at 30 April 2022	**2,128,216**	**-**	**711,570**	**-**

Capital management

It is the Company's policy to maintain a strong capital base. The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern to effectively, and efficiently utilise the Company's capital base to support the ongoing development of the business to ensure continuous and ongoing compliance with the regulatory capital requirements set by the Financial Conduct Authority ("FCA").

Capital adequacy and the sufficiency of capital to meet regulatory requirements are monitored by the Company's management and directors.

Regulatory capital is determined in accordance with the requirements of the Capital Requirements Directive prescribed in the UK by the FCA. The Directive requires continual assessment of the group's risks in order to ensure that the higher of Pillar 1 (Minimum Capital Requirements), and Pillar 2 (Supervisory Review) requirements is met. Surplus regulatory capital was maintained throughout the year.