Company Registration No. 09675058

WEALTH AT WORK GROUP LIMITED

Annual Report and Financial Statements

Year ended 31 December 2022

WEALTH AT WORK GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2022

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WEALTH AT WORK GROUP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

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

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M. Hutchinson

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STRATEGIC REPORT

ACTIVITIES OF THE COMPANY

The principal activities of the Company's subsidiaries (together the "Group") are the provision of financial education, guidance, advice, digital development services and to provide associated investment management and access to estate planning services. The principal activity of the Company is that of a holding company.

Some subsidiary companies of the Group are authorised and regulated by the Financial Conduct Authority (FCA).

REVIEW OF BUSINESS

The Directors monitor the financial performance and financial position of the Group by reference to the following key performance indicators:

	2022 £'000	2021 £'000
Financial measures:		
Turnover	38,136	34,412
Earnings before interest, tax, depreciation & amortisation (including impairments)	10,509	10,185
Profit before tax	6,065	6,052
Net cash flow from operating activities	9,773	9,472
Non-financial measures:		
Discretionary funds under management (£'000)	2,332,000	2,187,000
New funds invested in discretionary service (£'000)	357,502	398,155
Net inflows (£'000)	284,747	327,812
Advice meetings	24,000	24,000
Enquiries	32,000	27,000
Average headcount	290	249

2022 has seen a considerable degree of disruption and volatility from several sources, particularly: rises in energy prices; global supply chain disruptions; high inflationary pressures and central bank interest rate rises in response to this. Some of the principal events which contributed to provoke these pressures were: the Russian invasion and subsequent escalating conflict in Ukraine; removal of some pre-existing restrictions in global trade as COVID protection measures continued to be relaxed, particularly in China; political turmoil, with the UK seeing three different Prime Ministers during the course of 2022; and a social disruption as a result of rising prices, with the cost of living increases provoking substantial strike action, and job markets remaining volatile as wage rises became more entrenched.

Worldwide equity markets finished the year at similar levels to which they started it, though significant movements during the year reflect the impact to investor confidence triggered by some of the events noted above. This volatility had a noticeable impact on investor appetite in the year, with a reduction in both funds invested and net inflows compared to the prior year.

Discretionary assets under management were £2,332 million on 31 December 2022 (£2,187 million on 31 December 2021). Total assets which the Group's trading subsidiary companies advise upon increased to over £2,503 million as at 31 December 2022 (£2,374 million at 31 December 2021).

The Group continued to invest in its use of technology, digital and online business processes to successfully deliver services to clients throughout the year. This was supported by the appointment of a Chief Information Technology Officer early in the year, and a strategic acquisition by Wealth at Work Midco Ltd of an important supplier, DBD Digital Ltd, and subsequent integration into the Group's activities. The launch of new digital services, including an enhancement of non-advised digital wealth management services and the launch of a new phone App to support this, further extended the Group's digital reach.

The Group experienced growth in its assets under management (AUM), thanks to new investments received from both new and existing clients and withdrawal rates remaining within projected ranges, though the value of assets solely under advice declined slightly.

Provision of financial education seminars remains key as it is one of the Group's main sources of investment enquiries and Group companies continued to offer online educational events to its customers throughout the year. The Group delivered over 3,780 events in the year (3,000 in 2021). This has resulted in the Group receiving close to 32,000 enquiries during 2022 (27,000 during 2021). The Group has continued to utilise the online delivery format as in the prior year, with around 93% of events being delivered in this format (2021: 99%).

STRATEGIC REPORT (CONTINUED)

The Group has worked to expand its network of corporate customers for whose employees it provides educational events, with a number of significant new opportunities developing within the year. This includes working with a number of companies acquired by other Group companies to expand both the breadth of services offered and the geographical locations capable of being serviced. In particular, this has involved working with new Group Companies, which are part of the overall larger group, not included in these financial statements: Design Consulting Ltd, to enhance the provision of digital educational communications for customers; and Employee Financial Wellbeing Ltd, a company registered in the Republic of Ireland which provides financial education and financial advice to the employees of companies within the ROI. This has enabled the Group to facilitate a consistent educational service offering across the whole of the UK and Ireland.

Net staff costs for the year increased to £17,802,000 (2021: £15,534,000), due to a substantial increase in headcount, up to an average number of employees during the year of 290 (2021: 249). During the year the Group has proactively sought to increase its operational capacity, to ensure its ability to service both new and existing clients is maintained, and has also increased headcount within central functions to further support the future growth of the Group. During the year, the Group also signed a commitment to relocate its head office to newer, larger premises, and began substantial fit-out works on the new office. The intention is to provide a modem, attractive environment for its employees, while at the same time ensuring scope for future growth in headcount. This has resulted in a significant increase in operating lease commitments, for more details see note 21.

On 31 January 2022, the Group completed the acquisition of 100% of the ordinary shares of a digital development agency, Death by Design Limited, for £50,000 as part of its strategy to further invest in technology and digital services across the Group. On 1 February 2022, the Group subscribed for further shares in the acquired company for an additional amount of £129,900. Deferred consideration totalling £200,000 is expected to become payable over the three years post acquisition. In April 2022, the acquired company's employees' contracts were transferred across to one of the Company's main trading subsidiaries, Wealth at Work Limited. This trading subsidiary also purchased certain assets of the acquired business in 2023.

The Group's Balance Sheet remains strong with net assets exceeding £54.5 million (2021: £48.2 million) and cash exceeding £14.3 million (£15.2 million at the prior year end). Balances owed by other Group companies have increased during the year, but the Directors are satisfied that these will be repaid in due course.

EBITDA is the metric used by management to monitor performance of the Group and EBITDA (including impairments) achieved for the year has increased to £10,509,000 (2021: £10,185,000). EBITDA is underpinned by increased recurring investment management fees from continued strong investment inflows and growth in assets under management, though has been impacted in the current year by the increase in staff costs particularly. The Group achieved increased profit after taxation for the year of £6,295,000 (2021: £2,374,000).

Despite political and economic conditions in the year affecting investor confidence, the Group has performed well and has executed on its plans for growth, particularly in the expansion of its corporate pipeline and staff numbers required to support future growth. The Directors consider the performance of the Group during the year to be satisfactory.

There were no significant events occurring after the end of the reporting period.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal risks relate to the volatility and performance of the world economy and its impact on investor sentiment; UK regulatory changes which may affect the provision of financial advice and the receipt of revenue therefrom; changes in demand from corporate customers to provide financial education for their employees; and the retention of its existing retail customer base. Should the equity markets decline this adversely affects investors' appetite to invest further and the value of assets under management will reduce, both of which the Group earns fees from.

Although the Group benefits from strong and resilient structural growth drivers, it is not immune to the effects of extreme volatility in financial markets. In common with other asset management businesses, the Group's largest revenue stream comes from the annual management fee on the assets under management (AUM).

Although this AUM is invested globally in a diverse range of equities traded on financial markets and proactively managed by the Group's fund managers to mitigate risks, the performance of these markets will fluctuate, and from time to time endure protracted periods of poor absolute performance, which could have a detrimental impact on the Group's revenues. Furthermore, a protracted negative period of economic uncertainty may impact the Group's growth plans as potential new clients could be deterred from investing in financial markets and thus using the Group's services.

Equities have historically been a good inflation hedge and therefore the recurring fees earned from clients' investments should be protected to some degree as the clients' AUM is weighted towards equity investments. While market volatility can undermine investor sentiment, potentially resulting in reduced AUM inflows, clients will continue to require investment planning and the management of their investments particularly during periods of uncertainty. The directors consider that this is an opportunity to continue to improve the well-tested and proven operational resilience of the business.

During the year, increases to central bank interest rates in response to higher rates of inflation have seen a knock-on effect in the interest rates for both retail and commercial borrowing. The impact of rises in mortgage related interest costs may impact the Group's clients, potentially reducing disposable income and capital available for investment.

STRATEGIC REPORT (CONTINUED)

While the Group has no direct exposure to borrowing, other Group entities outside of this consolidation do, and the burden of servicing interest payments is shared amongst Group companies. Interest rate rises are a key consideration factored into Group-wide forecasts, and the directors pay due consideration to maintaining operational cash flow generation required to service the group interest costs.

Additionally UK regulatory changes may affect the provision of the Group's services and the costs associated in delivering these services and remaining compliant with the regulatory environment. From 1 January 2022, the regulated subsidiaries of the Group have been subject to the regulations of the new Investment Firms Prudential Regime for reporting and regulatory purposes, which has required revision of the calculation of the regulatory capital requirements of the regulated companies, though no material impacts to the capital required were noted.

Changes in requirements from corporate customers may also impact both the revenue and investment enquiries which the Group generates. In order to mitigate these risks the Group endeavours to continue to expand its corporate customer base. This focus on diversification ensures the Group generates new enquiries from many sources.

Further potential risks are the possibility of any negative impact on the Group's reputation of delivering the highest standards to all stakeholders and the ability of the Group to maintain efficiency and its rigorous standards as it continues to grow. The Group undertakes a high standard of compliance review for all new business accepted, to ensure clients taking up the Group's investment services are fully informed of the services being offered and the associated costs. This continues on an ongoing basis with regular communication to clients with regard to the performance of their investments. Discretionary investment management performance is reported regularly to the Board of Directors and monitored by the Investment Committee.

The most prominent uncertainties currently under consideration are: the economic impact of the ongoing war in Ukraine; supply chain disruption and high energy prices helping to drive inflation; corresponding rises in interest rates; and increases in 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 having on future recurring revenues.

The Group has taken action to mitigate these risks, particularly through: -

- Continued frequent communication with individual clients during periods of market uncertainty and volatility.
- Utilisation of technology to ensure its employees have maintained the Group's usual high standards of service throughout these challenging times and can maintain the level of responsiveness expected from clients and customers.
- Proactive management of clients' investments to mitigate risks to performance, such as ensuring insignificant levels of direct exposure to Russian equity funds and companies.
- Careful review of the contingency plans of key suppliers to ensure continuity of important services.
- Continuous monitoring of information used to manage the Group, including sensitivity analysis, to ensure the Group can assess, manage and respond to rapidly changing circumstances, and continue to meet its obligations. This includes modelling the effects of interest rate rises on cash flow and group debt obligations.

The Group 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 (both intangibles assets and investments). The focus for the Group continues to be on growth in overall customer volumes; customer satisfaction and retention, particularly during volatile periods. Until the war in Ukraine is over and interest rate rises take effect over inflation, world equity markets are likely to remain turbulent, however while investor appetite has been dampened somewhat, the Group has still generated significant net inflows in the year.

FUTURE DEVELOPMENTS

In general terms the market demand for the services provided by the Group continues to grow strongly and the Group has experienced positive growth, even during these most challenging times. 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 individual clients, so that high standards of service are maintained and future growth is supported.

The Group will continue to invest in diversifying its service offerings, with further investment in technology planned in the coming periods to build out and enhance its digital investment services, intended to diversify the client base the Group is able to service. The intention is to cater for people for whom a full traditional discretionary wealth management service isn't appropriate, broadening the population the Group can accommodate, from the enquiries it receives from its educational offerings. The Group is cognisant of clients' opinions and preferences when choosing investment approaches and seeks to ensure its service offering caters for all. This includes the provision of portfolios focused on ethical investment opportunities.

STRATEGIC REPORT (continued)

The Group will also seek to further diversify its financial education proposition, particularly in terms of further leveraging the relationships with other Group companies. It aims to broaden the services the Group provides for existing customers and seek to expand its corporate customer base through these relationships.

The Group will continue to assess its services and delivery model, particularly with reference to its operational capacity and projected demand. While investor sentiment has been impacted by world events in 2022, clients will continue to require investment planning and the management of their investments particularly during ongoing periods of volatility and uncertainty. The directors will monitor demand and where additional headcount is deemed necessary to support projected future activity levels, will seek to recruit high quality staff to ensure this is met.

SECTION 172 COMPANIES ACT STATEMENT ON DIRECTORS' ENGAGEMENT WITH STAKEHOLDERS

In order to comply with the requirements of section 172 of Companies Act 2006, the directors must act to promote the success of the Group for the benefit of its members as a whole. The directors recognise that success relies on a number of relationships, which requires regular engagement with key stakeholders of the Group, detailed as follows:

Key issues impacted	Ways we engage	How we respond
Shareholders/ Equity investors		
• Group strategy, performance and outlook • Strong returns and management throughout the Group • Growth and diversification of services offered	• Regular Board meetings and continuous dialogue on performance, plans and strategic objectives • Non-executive Directors and Chairman on the Board • Open, responsive and considerate of shareholder requirements and timelines	• Discuss and agree key decisions including headcount expansion to support growth, and significant capital expenditure on new premises and digital product development • Annual Report and presentation of audited Financial Statements • Demonstrate our market leading position by continuous innovation and growth - increasing revenue, assets managed and range of services provided • Dividend policy set with reference to shareholder requirements as well as trading performance • Frequent communication with shareholders on strategic future plans for the Company, resulting in accelerated growth strategy in 2023 supporting investment in headcount expansion and further investment in new services.
Clients and customers		
• Manage clients' investments safely and responsibly, in the way we have agreed • Educate the employees of corporate customers to improve their understanding of key financial issues that will affect them • Respond appropriately to all clients' and customers' long-term and changing financial and other needs, including changes in client preferences for accessing investment services	• Dedicated Financial Advisers/Account Managers effectively respond to clients' and customers' needs • Direct feedback from seminar performance and from Financial Advisers/Account Managers is monitored by the Board • Regular communication via a variety of methods • Dedicated contact teams to assist in the servicing of clients and customers	• Achieve results in line with our clients' objectives, serving them with a positive attitude and acting with integrity and respect; and providing regular updates via newsletters and market commentary • Operate according to our "Mum and Dad Principal" – "if you wouldn't do it for your own Mum and Dad, don't do it at all" • Continued investment in technology to improve customer service offerings, including continuing to develop online access to review investments and provision of online meetings and events • Provide customised content and delivery methods/bespoke service offerings • Dialogue with clients and customers during the year has resulted in continued strong net inflow of assets compared to peer group

STRATEGIC REPORT (continued)

Key issues impacted	Ways we engage	How we respond
Suppliers		
• Establish and maintain fair working relationships • Build long-term partnerships and communicate clearly the Group's ongoing and future requirements	• Regular contact, responsive communication and dedicated points of contact • A commitment to engage at appropriate levels of seniority • We make time to meet and resolve issues collaboratively	• Honest feedback and collaborative engagement to enhance services and drive improvement • Seek to build trust and shared understanding of requirements and constraints • Strive to always keep our word and act fairly and reasonably; creating where ever possible a collective team environment between companies
Employees		
• Develop our workforce so they can contribute effectively to the goals of the Group • Be open, supportive and ensure our workforce understand the value placed on them • Provide security, foster trust and be a business our staff are proud to work for • Do our upmost to ensure all our workforce current or potential are treated with fairness and equality • Deliverability of strategic objectives considered and capacity and skill sets reviewed and addressed as appropriate	• Regular communication to all employees including the availability of directors such that they are accessible to our workforce • Formalisation and regular review of policies to benefit and protect our employees • Seek to provide a safe and effective working environment, providing our employees with the resources they need to be successful • Source various support services and flexible workplace benefits for employees • Listen to concerns from employees as they arise	• Role-specific training, accreditations and qualifications encouraged and promoted to all of our staff • Availability of an employee share ownership scheme to allow participation in the value created. Work to ensure full participation of all Company employees in equity ownership • Regularly review the structure of our workforce and adapt to recognise achievement, support business growth and delivering exceptional client and customer service • Efficient provision of equipment and technology to enable employees to communicate easily and work effectively wherever they are based • Seek to resolve employee concerns cooperatively, whenever they arise. • Recognise and reward employees attaining qualifications and/or delivering exceptional service.
Society as a whole		
• Adherence to regulations and legislation that are deemed relevant to the Group's sector • Minimise where possible any detrimental impact to the environment • Act responsibly and play our part in the betterment of the society we work in • Awareness and understanding of key social concerns	• Develop policies and promote practises which are environmentally friendly • Engage and correspond appropriately with regulatory and other authoritative organisations • Train our staff appropriately to be aware of regulatory obligations	• Our Sustainability Policy is reviewed and updated regularly, promoting responsible travel and recycling; and the Group seeks continuous improvements to workings practises • Consider the expectations of society and our customers when designing our services to make them inclusive, environmentally conscious and cater for as many sectors of society as possible • Active participation in information requests • Charitable donations are made to a variety of charities and assist university students with sponsored scholarships

Approved by the Board and signed on its behalf by:

David Cassidy

D. Cassidy
Director
Third Floor
5 St Pauls Square
Liverpool
L3 9AG

26/09/23

DIRECTORS' REPORT

The directors present their annual report on the affairs of the group, together with the financial statements and Auditors report, for the year ended 31 December 2022.

DIRECTORS

The names of the current directors who have served during the year and to the date of this report are listed on page 1. Individual group companies have made qualifying third party indemnity provisions for the benefit of their directors which were made during the year and remain in force at the date of this report.

RESULTS AND DIVIDENDS

The consolidated profit before taxation for the year was £6,065,000 (31 December 2021: £6,052,000) and profit after taxation £6,299,000 (31 December 2021: £2,374,000).

The total distribution of dividends by the Company for the year ended 31 December 2022 is £nil (2021: £6,974,052).

The directors do not recommend the payment of a final dividend (2021: £nil).

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, 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 Group's principal financial assets are bank balances and cash, and debtors. The Group's credit risk is primarily attributable to its trade debtors. The Group has in place policies which require monthly monitoring and reporting of exposures to all 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 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 Group earns annual management fees which are based on the value of funds under management. The Group has in place risk policies surrounding the monitoring and control of market risk. This includes regular investment committee meetings and monthly Board consideration during Board Meetings.

FUTURE DEVELOPMENTS

Future developments of the Group can be found within the Strategic Report on page 4.

DIRECTORS' REPORT (continued)

Carbon emission reporting

The table below shows absolute performance of our Scope 2 and 3 emissions for the year, which represents the Group's third year of reporting under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and *Carbon Report) Regulations 2018:*

Greenhouse gas ("GHG") emissions (tCO_2e)		2022	2021
Scope 2	Electricity consumption (office) (kWh)	372,779	351,798
	Associated GHG (tCO_2e)	72	75
	Gas consumption (office heat & steam) (kWh)*	-	-
	Associated GHG (tCO_2e)*	-	-
	Total Scope 2 emissions (tCO_2e)	**72**	**75**
Scope 3	Fuel consumption (employee vehicles for business travel) (miles)	157,453	72,459
	Fuel consumption (employee vehicles for business travel) (kWh)	169,495	78,339
	Associated GHG (tCO_2e)	43	20
	Total Scope 3 emissions (tCO_2e)	**43**	**20**
	Total Scope 2 & 3 emissions (kWh)	542,274	430,137
	Total Scope 2 & 3 emissions (tCO_2e)	**116**	**95**
Intensity ratios	Total floor area for electricity consumption (sqft)	20,151	20,151
	Total floor area for gas consumption (sqft)	17,151	17,151
	Scope 2 emissions intensity - electricity only (tCO_2e/sqft/yr)	**0.0036**	**0.0037**
	Scope 2 emissions intensity - gas only (tCO_2e/sqft/yr)*	-	-
	Scope 3 emissions intensity (tCO_2e/sqft/yr)	**0.0021**	**0.0010**

All energy consumption is in the UK.

* There was no gas consumption in the 2022 year or the 2021 year.

Methodology
A materiality assessment was applied to determine which indicators were relevant to the Group. Data collected relates to the most recent 12-month period where data was available.

To collate consumption data, the Group has reviewed utility bills and analysed data from staff expenses submissions to track business mileage incurred during the year in employee-owned vehicles. Conversion tables published by the Department for Business, Energy & Industrial Strategy were used to calculate emissions in tonnes of carbon dioxide equivalent.

We have calculated energy intensity and emissions intensity using total floor area which is considered to best represent the scale of the business compared to using alternative measure such as headcount, as the majority of energy usage is from buildings and the changes to the Company operating model since the COVID pandemic is expected to make the level of fuel consumption for Company vehicles volatile in the short-term.

Energy efficiency
The Group has always encouraged employees to use public transport where possible to meet individual clients or corporate customers. Our Sustainability Policy is reviewed and updated regularly and promotes responsible travel and recycling practises, which is available for all employees to access on the Group's intranet. Waste from offices is recycled as much as possible utilising a waste management company.

During the year, the Group has signed a commitment to relocate its head office early in 2023. As part of the assessment process, the environmental impact of the various options was considered, with the chosen new premises being of a significantly better EPC rating. In addition, when planning the fit-out of the new premises, various measures were taken to reduce environmental impact, including:
- Passive infrared (PIR) sensors in all areas, to turn off lights when not in use
- Provision of recycling facilities to encourage waste recycling
- Provision of "cycle to work" facilities and the introduction of a cycle to work salary sacrifice scheme.

DIRECTORS' REPORT (continued)

Future plans for carbon offsetting by the Group include a number of initiatives to become a paper-light workplace and switching to renewable energy resources for electricity supplied to the offices. The Carbon and Energy Reduction Plan revised in 2022 by the Group will be updated for 2023, to provide details of the initiatives that will be introduced throughout the course of the year. Initiatives the Group is involved with are communicated to staff on a regular basis. Directors continuously consider ways to make the business more environmentally friendly and seek to enact these wherever practically possible. All employees are encouraged to participate in this process.

GOING CONCERN

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

The Directors note the continued uncertainty around the impact of high inflation; rising interest rates; and ongoing political turmoil both in the UK and abroad, particularly the ongoing war in Ukraine. While investor sentiment has been impacted, there remains strong demand for services, including for corporate education provision. The proactive management of clients' investments by highly qualified fund managers and the valuable permanent revisions made to the Group's operating model in recent years will help to mitigate these risks.

The Group has a strong cash position with £14,317,000 held at the year-end date (2021: £15,203,000), 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.

The Directors review the adequacy of working and regulatory capital on an ongoing monthly basis, as well as revised forecasts and budgets, which have been updated to include all future expected costs including the effect of interest rate rises on the Group funding position. Further details regarding the adoption of the going concern basis can be found in the note 1 to the financial statements.

AUDITOR

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 auditor is 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 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
Third Floor
5 St Pauls Square
Liverpool
L3 9AG

26/09/23

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 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 Group and 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 Group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Opinion

We have audited the financial statements of Wealth at Work Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group profit and loss account, group balance sheet, company balance sheet, group cash flow statement, the group and company 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 group's and of the parent company's affairs as at 31 December 2022 and of the group's 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 group and parent 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 group's or the parent 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

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

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and their 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 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.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 10, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent 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 group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory framework;

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

- 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 having obtained an understanding of the effectiveness of the control environment.

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 most significant laws and regulations that have an indirect impact on the financial statements are the rules and principles set by the Financial Conduct Authority (FCA) as regulator for the financial services industry in the UK. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations. We inspected compliance documentation, including but not limited to, internal procedures' manuals, risk and breaches registers, regulatory returns, board minutes and correspondence with the FCA as well as considering compliance with the conditions for authorisation, including with any restrictions or requirements placed on the firm, and other regulatory obligations.

The group engagement team identified the risk of management override of controls and revenue recognition as the areas 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 and performing analytical review, testing the operating effectiveness of controls and substantive testing of revenue.

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

28/09/23

GROUP PROFIT AND LOSS ACCOUNT
Year ended 31 December 2022

	Note	2022 £'000	2021 £'000
TURNOVER	3	38,136	34,412
Cost of sales		(127)	(126)
Gross profit		38,009	34,286
Administrative expenses		(32,881)	(28,626)
Other operating income	5	921	392
Operating profit/(loss)	4	6,049	6,052
Interest receivable and similar income		16	-
PROFIT BEFORE TAXATION		6,065	6,052
Taxation	9	234	(3,678)
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		6,299	2,374

The profit for the year in the current and preceding period was entirely attributable to equity shareholders of the Group and is derived from continuing operations.

There was no other comprehensive income for 2022 (2021: £nil) and therefore no separate statement of total comprehensive income has been presented.

GROUP BALANCE SHEET
As at 31 December 2022

	Note	2022 £'000	2021 £'000
FIXED ASSETS			
Intangible assets	11	38,837	42,298
Tangible assets	12	1,284	649
		40,121	42,947
CURRENT ASSETS			
Debtors	14	15,252	5,119
Cash at bank and in hand		14,317	15,203
		29,569	20,322
CREDITORS: amounts falling due within one year	15	(6,329)	(5,449)
NET CURRENT ASSETS		23,240	14,873
TOTAL ASSETS LESS CURRENT LIABILITIES		63,361	57,820
PROVISIONS FOR LIABILITIES	18	(8,768)	(9,526)
NET ASSETS		54,593	48,294
CAPITAL AND RESERVES			
Called up share capital	16	319	319
Share premium account	16	54,682	54,682
Profit and loss account – surplus/(deficit)		(408)	(6,707)
SHAREHOLDERS' FUNDS		54,593	48,294

The notes and information on pages 19 to 32 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26/09/23
They were signed on its behalf by:

S Payne

S. Payne
Director

WEALTH AT WORK GROUP LIMITED

COMPANY BALANCE SHEET
As at 31 December 2022

Company Registration No. 09675058

	Note	2022 £'000	2021 £'000
FIXED ASSETS			
Investments	13	65,849	65,849
		65,849	65,849
CURRENT ASSETS			
Debtors	14	1,344	733
Cash at bank and in hand		587	968
		1,931	1,701
CREDITORS: amounts falling due within one year	15	(1,090)	(1,370)
NET CURRENT ASSETS		841	331
NET ASSETS		66,690	66,180
CAPITAL AND RESERVES			
Called up share capital	16	319	319
Share premium account	16	54,682	54,682
Profit and loss account		11,689	11,179
TOTAL SHAREHOLDERS' FUNDS		66,690	66,180

The profit after tax for the year to 31 December 2022 dealt with in the financial statements of the parent company was £510,000 (2021 profit: £6,794,000).

The notes and information on pages 19 to 32 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26/09/23 .
They were signed on its behalf by:

S Payne

S. Payne
Director

GROUP CASH FLOW STATEMENT
Year ended 31 December 2022

	Notes	2022 £'000	2021 £'000
Net cash inflow from operating activities	17	9,773	9,742
Investing activities			
Interest received		16	1
Purchases of tangible assets		(912)	(438)
Purchases of intangible assets		(414)	(7)
Acquired debtors		170	-
Acquired creditors		(14)	-
Acquisition of subsidiary		(50)	-
Costs associated with acquisition		(99)	-
Net cash acquired with subsidiary		(111)	-
Net cash (outflow) from investing activities		(1,414)	(444)
Financing activities			
Dividends paid		-	(6,974)
Proceeds from sale of investments		-	642
Interest paid		-	(1)
Repayment of loans		(118)	-
Increase in intercompany debtor outside UK Group		(9,127)	-
Net cash (outflow) from financing activities		(9,245)	(6,333)
(Decrease)/increase in cash and cash equivalents		(886)	2,965
Cash and cash equivalents at 1 January		15,203	12,238
Cash and cash equivalents at 31 December		14,317	15,203

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2022

Group	Note	Share Capital £'000	Share Premium £'000	Profit and loss account £'000	Share-holder's Equity £'000
Balance as at 1 January 2021		319	54,682	(2,748)	**52,253**
Profit for the year		-	-	2,374	**2,374**
Dividends paid	10	-	-	(6,974)	**(6,974)**
Gain on sale of ESOP shares		-	-	641	**641**
As at 31 December 2021		**319**	**54,682**	**(6,707)**	**48,294**
Balance as at 1 January 2022		319	54,682	(6,707)	**48,294**
Profit for the year		-	-	6,299	**6,299**
As at 31 December 2022		**319**	**54,682**	**(408)**	**54,593**

Company	Share Capital £'000	Share Premium £'000	Profit and loss account £'000	Share-holder's Equity £'000
Balance as at 1 January 2021	319	54,682	10,689	**65,690**
Other movements	-	-	29	**29**
Profit for the year	-	-	6,794	**6,974**
Dividends paid	-	-	(6,974)	**(6,974)**
Gain on sale of ESOP shares	-	-	641	**641**
As at 31 December 2021	**319**	**54,682**	**11,179**	**66,180**
Balance as at 1 January 2022	319	54,682	11,179	**66,180**
Profit for the year	-	-	510	**510**
As at 31 December 2022	**319**	**54,682**	**11,689**	**66,690**

During the prior year, presentation of the Group's ESOP was corrected prospectively on the grounds of materiality. This resulted in the other movements shown above for the Company during the prior year.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2022

1. ACCOUNTING POLICIES

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

General Information and basis of accounting

Wealth at Work Group 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 and the ultimate parent of the Group. The address of the registered office is given on page 1. The nature of the Group'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 Group Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling.

Wealth at Work Group Limited has taken advantage of the exemption under Section 408 of the Companies Act 2006 in respect of its separate financial statements, including exemption not to produce an individual company profit and loss account, which are presented alongside the consolidated financial statements. Wealth at Work Group Limited meets the definition of a qualifying entity under FRS 102 and as a result exemptions have been taken in relation to presentation of a cash flow statement and remuneration of key management personnel.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2022. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passes.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations affected prior to the date of transition.

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.

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 escalating conflict in Ukraine and the ongoing worldwide inflationary pressures, among other events, have been considered in depth, details of which are disclosed in the Strategic Report on page 2 and Directors' Report on page 9. The directors of the Group have considered in detail the Group'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 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.

Turnover

Turnover is stated net of VAT. Educational fees are recognised in the period in which seminars are conducted. Investment management fees include annual management fees, initial fees and ongoing adviser agreed remuneration. Annual management fees are accrued as earned. Initial fees relating to investment management services are recognised when client holdings are transferred or recommended products are accepted. Ongoing adviser agreed remuneration is accrued as earned. Will writing fees are recognised when wills are issued to clients, and will storage and estate administration fees are accrued as earned.

Interest receivable

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

1. **ACCOUNTING POLICIES (continued)**

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 over the period in which economic benefit is expected to be derived (see note 11 for further information). A review for impairment of goodwill is completed annually and if required provision is made for any impairment.

Other Intangible assets

Client contracts and relationships represent the contractual right to benefit from providing investment management services. Assets may include:

- The directly identifiable and attributable acquisition costs, which vary with and are related to securing new contracts, and are deferred to the extent that they are recoverable out of future revenue. These deferred acquisition costs, net of any impairment losses, are amortised on a straight-line basis over the expected lifetime of the associated investment contracts. All other costs are recognised as expenses when incurred.
- Fair value adjustments arising on business combinations which represent the underlying value of client contracts as described above, which can be measured reliably.

A review for impairment is completed annually and if required, provision is made for any impairment. In assessing impairment, the recoverable amount of an asset is compared to its carrying amount and any impairment recognised in profit and loss.

Investments

Fixed asset investments are subsidiary companies which are shown at cost less provision for impairment.

Government grants

Government grants are recognised when the relevant performance measures have been met and agreed with the relevant government agency. They are amortised to the profit and loss account in line with the depreciation of assets purchased where relevant. In other situations, they are recognised in the profit and loss account in the period to which they relate. The government grants are repayable if the relevant performance measures are not met.

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.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a 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:

Leasehold property improvements	Life of lease
Computer equipment	< 4 years
Other equipment	5 years
Purchased software	5 years

Computer equipment and other equipment are included within fixtures, fittings and equipment in tangible fixed assets.

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.

1. ACCOUNTING POLICIES (continued)

Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group'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 volatility as a result of worldwide events, 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 Group, the factors that may contribute towards future equity market volatility, such as the potential outcomes of the ongoing war in Ukraine, inflationary pressures and other events such as those disclosed in the Strategic Report on page 2. These factors mean that world equity markets are likely to remain volatile, which will impact the recurring investment management fees that the Group continues to receive and also future cash flows.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying the Group's accounting policies

In assessing the potential for impairment of intangibles and 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 Group's accounting policies that have had a significant effect on amounts recognised in the financial statements.

Key sources of estimation uncertainty

Impairment of intangibles
If indicators of impairment exist, management generate an estimate of recoverable value of the intangible assets. In assessing whether intangible assets are impaired, management considered the long term cash generative potential of the contracts underpinning the assets, and the future cash flows expected to be derived and applied a suitable discount rate in order to calculate present value, all of which required estimation of future performance and assumptions to be made in calculating the discount rate applied.

Impairment of investments
If indicators of impairment exist, management generate an estimate of recoverable value of the investments. In assessing whether investments in subsidiary companies are impaired, management considered the long term cash generative potential of the subsidiary company and hence its future cash flows and its ability to pay dividends and applied a suitable discount rate in order to calculate present value, all of which required estimation of future performance and assumptions to be made in calculating the discount rate applied.

Goodwill and intangible assets
The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Recognition of deferred tax assets
In assessing whether a deferred tax asset should be recognised, management were required to forecast the future profits of the Company, which involved estimation of future performance and evaluation of the period of recognition.

All of the above key sources of estimation uncertainty are 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, although actual results may differ.

3. TURNOVER AND SEGMENTAL INFORMATION

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

	2022 £'000	2021 £'000
Educational fees	985	872
Non-recurring investment management fees	4,647	5,279
Recurring investment management fees	32,493	28,251
Other revenue	11	11
	38,136	34,412

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

4. OPERATING PROFIT/(LOSS)

This is stated after charging:

	2022 £'000	2021 £'000
Depreciation of tangible fixed assets (see note 12)	276	267
Amortisation of intangible assets (see note 11)	3,967	3,866
Impairment of goodwill (see note 11)	217	-
Foreign exchange differences	8	2
Auditor's remuneration (see note 6)	121	116
Operating leases – land & buildings	472	406
Operating leases – machinery & equipment	24	37

5. OTHER OPERATING INCOME

Other operating income for the prior year included £24,000 received as a government grant from the Coronavirus Job Retention Scheme. No such income was received in the current year.

Other amounts in operating income include £921,000 (2021: £195,000) relating to recharges made to other related companies outside of the UK group, in relation to costs for staff working on behalf of this other entities.

6. AUDITOR'S REMUNERATION

The remuneration of the auditors is further analysed as follows:

	2022 £'000	2021 £'000
Audit of the financial statements	10	8
Audit of subsidiary undertakings	76	77
Total audit	86	85
Audit related assurance services	17	15
Taxation compliance services	18	16
Total non-audit	35	31
Total auditor's remuneration	121	116

7. STAFF COSTS

	2022 £'000	2021 £'000
Wages and salaries	15,302	13,463
Social security costs	1,802	1,500
Other pension costs	698	595
	17,802	15,558

The average monthly number of persons working on behalf of the Group, including directors, during the year was 290 (2021: 249).

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

7. STAFF COSTS (continued)

This is broken down by class of business, as follows:

	2022 Number of persons	2021 Number of persons
Education services	49	40
Investment management services	199	172
Administration	42	37
	290	249

During the prior year, government grants totalling £24,000 were received as part of the support measures offered by the UK Government in response to the COVID-19 pandemic. Wages and salaries net of these government grants for the year ending 31 December 2021 were £13,439,000. No such grants were received in the year ending 31 December 2022.

8. DIRECTORS REMUNERATION

Directors' remuneration

	2022 £'000	2021 £'000
Emoluments	1,500	1,338
	1,500	1,338

The number of directors who:

	2022 Number	2021 Number
Are members of a money purchase pension scheme	-	-

Remuneration of the highest paid director:

	2022 £'000	2021 £'000
Emoluments	318	302

9. TAX ON PROFIT/ (LOSS)

The tax charge for the Group comprises:

	2022 £'000	2021 £'000
Current taxation		
UK Corporation tax at 19% (2020: 19%)	871	1,009
Other taxes	-	130
Adjustment in respect of prior periods	(418)	-
Total current tax charge	453	1,139
Deferred taxation		
Origination and reversal of timing differences	(687)	192
Adjustments in respect of prior periods	-	-
Effects of changes in tax rate	-	2,347
	(687)	2,539
Tax on ordinary activities	(234)	3,678

9. **TAX ON PROFIT/ (LOSS) (continued)**

Other taxes in the prior year related to the capital gains tax charge that arose following the profit on disposal of shares held by Wealth at Work Employee Benefit Trust as part of the MBO.

Factors affecting tax credit for period

The tax charge for the period differs from the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit on ordinary activities before taxation	6,061	6,694
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK	1,152	1,272
Effects of:		
Expenses not deductible for tax purposes	830	319
Income not taxable	-	2
Movement in unrecognised deferred tax	(96)	(234)
Group relief	(965)	-
Adjustments in respect of current period	(736)	(28)
Adjustments in respect of prior periods	(418)	-
Changes in tax rate	(1)	2,347
Total tax (credit)/charge for year	(234)	3,678

The Finance Act 2021 has enacted a change in the UK's main rate of corporation tax from 19% to 25%, with effect from 1 April 2023. Deferred tax balances have been remeasured at 25%.

10. **DIVIDENDS**

	2022 £'000	2021 £'000
Ordinary shares of £0.0010 each		
Interim	-	6,974

11. **INTANGIBLE ASSETS**

	Client contracts & relationships £'000	Goodwill £'000	Internally developed software £'000	Total £'000
Cost				
As at 1 January 2022	56,445	8,515	-	64,960
Additions	6	312	408	726
Disposals	(5)	-	-	(5)
Impairments	-	(217)	-	(217)
As at 31 December 2022	56,446	8,610	408	65,464
Amortisation:				
As at 1 January 2022	18,287	4,375	-	22,662
Disposals	(2)	-	-	(2)
Charge for the year	2,807	1,153	7	3,967
As at 31 December 2022	21,092	5,528	7	26,627
Net book value				
As at 31 December 2022	35,354	3,077	401	38,837
As at 31 December 2021	38,158	4,140	-	42,298

11. INTANGIBLE ASSETS (continued)

Client contracts and relationships include fees paid to third parties to acquire agency rights over financial products or as part of commercial agreements relating to the generation of enquires. In addition, intangible assets relating to an adjustment to fair value as a result of a business combination are recognised within this category. The underlying value associated with the adjustment arises from the projected value of client contracts and relationships within the acquired company. In all cases, ongoing revenue is generated from the investment management activities provided to the associated clients. The assets are being amortised over the Directors' estimate of the useful economic life of 20 years, being an estimate of the time required for all such clients to exit the Company's investment management services.

A review for indicators of impairment is completed annually and if required, provision is made for any impairment.

Goodwill is generally amortised over a period of 10 years, however in the specific case of the goodwill arising from the acquisition of Marshall Zoing Limited, the amortisation period is 12 years.

All amortisation is included in administration expenses in the profit and loss account (see note 4).

12. TANGIBLE ASSETS

Group	Leasehold Improvements	Fixtures, Fittings & Equipment	Purchased Software	Total
	£'000	£'000	£'000	£'000
Cost				
As at 1 January 2022	49	1,160	487	1,696
Additions	159	669	83	911
Disposals	-	(28)	-	(28)
As at 31 December 2022	208	1,801	570	2,579
Depreciation:				
As at 1 January 2022	42	635	370	1,047
Disposals	-	(28)	-	(28)
Charge for the year	6	211	59	276
As at 31 December 2022	48	818	429	1,295
Net book value				
As at 31 December 2022	160	983	141	1,284
As at 31 December 2021	7	525	117	649

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

13. FIXED ASSET INVESTMENTS

Company	2022 £'000	2021 £'000
Subsidiary undertakings	65,849	65,849

The parent company and the Group have investments in the following subsidiary undertakings:

Subsidiary undertakings	Principal activity	Holding	%
Wealth at Work Holdings Limited (+)	Holding company	Ordinary shares	100
Wealth at Work Midco Limited	Holding company	Ordinary shares	100
Wealth at Work Limited	Financial education and wealth management	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
Marshall Zoing Limited	Financial advice	Ordinary shares	100
My Wealth Limited	Dormant company *	Ordinary shares	100
My Wealth Online Limited	Dormant company *	Ordinary shares	100
Life Academy Limited	Dormant company *	Ordinary shares	100
The Farleigh Group Limited	Holding company	Ordinary shares	100
DBD Digital Limited	Digital development services^	Ordinary shares	100
Affinity Financial Awareness Limited	Financial advice	Ordinary shares	100
Affinity Connect Limited	Financial education	Ordinary shares	100
My Wealth Estate Planning Limited ^	Estate planning services	Ordinary shares	100

(+) Held directly by Wealth at Work Group Limited
* Exempt from the requirements to prepare, file and audit individual financial statements under s394A and s479A of Companies Act 2006
^ Exempt from the requirements of Companies Act 2006 s479A in relation to the audit of individual financial statements

On 31 January 2022, the subsidiary undertaking Wealth at Work Midco Limited acquired 100% of the ordinary shares of DBD Digital Limited for initial consideration, inclusive of legal and other costs, of £149,000. On 1 February 2022, the subsidiary entity paid an additional £129,900 for a subscription of new share capital in the acquired company. Deferred consideration totalling £200,000 was expected to become payable over the three years post acquisition, of which £125,000 was paid in January 2023.

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

Analysis of movement in investments in subsidiaries:

	Total £'000
As at 1 January & 31 December 2022	65,849

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

13. FIXED ASSET INVESTMENTS (continued)

Analysis of the acquisition of DBD Digital Limited:

	Book value £'000	Adjustments £'000	Fair value £'000
Net assets at date of acquisition:			
Tangible assets	3	(2)	1
Stocks	7	(2)	5
Debtors	165	-	165
Cash	7	-	7
Creditors due within one year	(140)	-	(140)
Deferred tax liability	(1)	-	(1)
Net assets acquired	41	(4)	37
Goodwill arising on acquisition			312
			349
Discharged by:			
Consideration paid			50
Costs associated with the acquisition			99
Contingent consideration			200
Total consideration:			349
Subscription for new shares post-acquisition			130
Total value of investment			479

The adjustment to fair value of tangible assets was made to bring the depreciation of these assets in line with Group depreciation policies. The adjustment to fair value of stocks was made to adjust work in progress for a cancelled project.

Goodwill recognised at acquisition represents the value of future benefits arising from the acquisition of DBD Digital Limited that are not capable of being individually identified and separately recognised, such as knowledge and intellectual property.

Following a review of the Group's growth strategy, Wealth at Work Midco Limited considered the carrying value of its investments in subsidiary entities and determined that an impairment of the carrying value was required, which resulted in an impairment in the year of £328,000. This has predominantly resulted from a transfer of the staff from DBD Digital Limited into a larger subsidiary company during the year and a winding up of the previous trade of the business. DBD Digital Limited is expected to become dormant during 2023.

14. DEBTORS

	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Trade debtors	777	188	828	-
Amounts owed by group undertakings	9,227	185	493	716
Prepayments	1,070	1,106	15	16
Accrued income	3,837	3,638	-	-
Other tax and social security	-	-	8	1
Other debtors	341	2	-	-
	15,252	5,119	1,344	733

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £'000	Group 2021 £'000	Company 2022 £'000	Company 2021 £'000
Trade creditors	2,400	671	530	-
Amounts owed to group undertakings	-	297	156	1,086
Corporation tax	126	1,041	274	196
Other tax and social security	828	847	69	59
Accruals	2,729	2,468	61	28
Other creditors	246	125	-	-
	6,329	5,449	1,090	1,369

16. CALLED UP SHARE CAPITAL

Allotted and fully or partly paid share capital	2022 Nominal £'000	2022 Premium £'000	2022 Total £'000	2021 Nominal £'000	2021 Premium £'000	2021 Total £'000
318,472,259 Ordinary shares of £0.0010 nominal and £0.1717 premium each	319	54,682	55,001	319	54,682	55,001
	319	54,682	55,001	319	54,682	55,001

The Company's ordinary shares carry equal rights in respect of any dividends that are declared or in other distributions. The holders of ordinary shares are entitled to one vote per share at meetings of the Company and the shares are non-redeemable.

17. RECONCILIATION OF OPERATING PROFITS/(LOSSES) TO CASH INFLOW FROM OPERATING ACTIVITIES

	Note	2022 £'000	2021 £'000
Profit after taxation		6,299	2,374
Interest		(16)	-
Taxation		(234)	3,678
Operating profit		6,049	6,052
Adjustments to reconcile profit for the year to net cash flows from operating activities:			
Depreciation of tangible fixed assets		275	267
Amortisation of intangible fixed assets		2,814	2,807
Amortisation of goodwill		1,154	1,059
Loss on disposal of fixed assets		1	4
Loss on disposal of intangible assets		3	5
Loss on impairment of assets		217	-
Operating cash flow		10,513	10,194
Working capital movements:			
Increase in debtors		(1,004)	(741)
Increase in creditors		1,641	435
Cash generated by operations		11,150	9,888
Taxation:			
Corporation tax paid		(1,377)	(146)
Net cash flow from operating activities		9,773	9,742

Net cash flow from operating activities relates to continuing activities.

The Group has no debt other than its trading liabilities (see note 15), all of which are repayable within one year. *Therefore the Group has not prepared a net debt reconciliation.*

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2022

18. PROVISIONS FOR LIABILITIES

	2022 £'000	2021 £'000
Deferred tax (see note 19)	8,691	9,377
Other provisions	77	149
	8,768	9,526

The movement in other provisions is analysed as follows:

Group	Other provisions £'000
As at 1 January 2022	149
Provided during year	77
Released during year	(149)
As at 31 December 2022	77

Other provisions relate to amounts held to settle complaints arising from clients.

19. DEFERRED TAX

Provisions for deferred tax liabilities have been included as follows:

Group	2022 £'000	2021 £'000
Balance at 1 January	9,377	7,648
Adjustment in respect of prior periods	-	-
Adjustment for changes in the rate of tax	-	2,347
Deferred tax movement in the period	(686)	(618)
Balance at 31 December	8,691	9,377

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:

	2022 £'000	2021 £'000
Balance brought forward	(124)	(380)
Movement in unrecognised losses	124	197
Capital allowances in excess of depreciation	30	71
Short-term timing differences	(15)	(12)
Balance carried forward	15	(124)

20. 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 102 Section 28 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 £698,000 for the year ended 31 December 2022 (2021: £595,000). Contributions totalling £138,000 (2021: £115,000) were payable to the fund at the balance sheet date and are included in creditors.

21. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £'000	2021 £'000
Within one year	243	336
Between one and five years	2,030	429
Over five years	1,010	40
	3,283	805

22. RELATED PARTY TRANSACTIONS

During the year, one of the Group's subsidiary companies utilised the services of a business run by the child of one of the directors, for digital media services including videography and editing services, photography and other media services. Amounts invoiced during the year totalled £14,500 (2021: £18,772). Amounts outstanding at the year-end date were £800 (2021: £1,000).

23. CAPITAL COMMITMENTS

As at 31 December 2022, the Company and Group did not have any material capital commitments (2021: £nil).

24. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Mercatus Bidco Limited, registered in Jersey, and the ultimate holding company is Mercatus Topco Limited, registered in Jersey.

The smallest group of which this company is a member and which consolidated financial statements are drawn up is headed by this company.

The largest group of which this company is a member and which consolidated financial statements are drawn up is headed by Mercatus Topco Limited.

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

25. POST BALANCE SHEET EVENTS

There have been no material events occurring between the balance sheet date and the date of signing this report.