

REGISTERED NUMBER: 08261731 (England and Wales)

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
WTUK LIMITED**



Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

WTUK LIMITED (REGISTERED NUMBER: 08261731)

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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WTUK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Directors: Miss A Garrett
Mr J Horton
Mr S Robinson

Registered office: The Landmark
Tudor Square
West Bridgford
Nottingham
Nottinghamshire
NG2 6BT

Registered number: 08261731 (England and Wales)

Auditors: Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

WTUK LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report of the company and the group for the year ended 31 December 2022.

Review of business

Executive Summary

Over the past twelve-month period, our EMI business's demonstrated substantial growth despite numerous challenges. In a highly regulated industry, we have worked diligently to ensure compliance while driving our strategic financial objectives. We have experienced significant improvements in our revenue streams, cost control, and risk management protocols.

Business Overview

As a regulated Electronic Money Institution (EMI), our business model is predicated on issuing electronic money for customer transactions. The past year has witnessed considerable demand for digital payment services, driven by the continued rise of e-commerce and a shift towards cashless transactions. We provide a range of services including online payment processing, foreign exchange and the offering of collection accounts.

Financial Performance

- Our revenue grew by 51% on last year of that from the previous full year, mainly driven by increased take up of collection facilities. Operational efficiency improvements also played a role in enhancing our profitability.

- Cost Control: Despite increased business activities, our cost-to-income ratio decreased due to effective cost control measures. We improved our technological infrastructure, leading to increased automation and decreased operational costs.

Regulatory Compliance

We have stayed compliant with all relevant regulations, including Anti-Money Laundering (AML), Know Your Customer (KYC), and the Payment Services Directive 2 (PSD2). This has not only helped us avoid potential penalties but has also contributed to building trust with our customers.

In conclusion, we are optimistic about the future of our EMI business. The past 12 months performance demonstrated our ability to operate efficiently and effectively in a challenging and highly regulated environment. With the strategies outlined above, we aim to maintain growth, profitability, and compliance in the coming years.

Principal risks and uncertainties

Cybersecurity remains a key risk due to the digital nature of our business. We have continued to invest in robust cybersecurity measures and worked towards enhancing data protection. With regular penetration testing.

The company remains focused on its regulatory requirements with the regulators, and continues to review updated policies and procedures, by continuous training and engagements with external auditors to ensure the systems and controls are sufficient with the compliance team horizon scanning for upcoming requirements to enable to company to adapt in sufficient time.

Market competition remains an ongoing risk, we have sought to mitigate this through continual innovation and product differentiation adapting to market demands, and strong relationships with the current customer base.

WTUK LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172(1) statement

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006.
The board of directors of WTUK Limited consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a)-(f) of the Act) in the decisions taken during the year ended 31 December 2022.

Employee engagement:

The company regularly holds employee meetings. The intention of these meetings is to improve communication within the company. Managers explain company policy and plans. Employees have the opportunity to question the management and to report on matters concerning their department.

The company periodically issues communications to its employees and regular team briefings take place.

Employees are advised of key statistics concerning the company's progress on an ad-hoc basis.

Our customers and suppliers:

The company considers its customers to be a main stakeholder. The directors foster their relationship with customers through listening to feedback offered by customers and aligning their product offering to meet customers' needs.

The suppliers to the company are also considered to be key stakeholders by the directors. Supplier relationships are maintained through ensuring that the company adheres to agreed payment terms with suppliers and communications regularly take place between the company and suppliers to foresee any issues in the supply chain.

Outlook

Our aim is to maximise the company's ability to grow profits to fund continued investment for the future of the business and job security for the employees. Trading conditions are expected to be as competitive as 2022. However, the company does anticipate continued expansion and increased revenues in the next twenty four months.

Business conduct and corporate governance

As the board of directors, our intention is to behave responsibly and ensure that the management operate the business in a responsible manner, operating with the high standards of business conduct and good governance expected for a business such as ours.

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

Employee involvement

The directors recognise the importance of good communications and relations with employees and as such management is encouraged to adopt employee consultations.

Energy and carbon reporting statement

During the year ended 31 December 2022 the company was responsible for the following energy consumption:

Electricity: 2,417 kWh

The above consumption equates to emissions equivalent to 564kg related to the purchase of electricity by the company. The above figures disclosed have been taken from energy bills provided by the company's energy providers during the year ended 31 December 2022.

On behalf of the board:

Jack Horton

.....
Mr J Horton - Director

Date: 28/09/2023
.....

WTUK LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2022.

Dividends

No dividends will be distributed for the year ended 31 December 2022.

Directors

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Miss A Garrett
Mr J Horton
Mr S Robinson

Other changes in directors holding office are as follows:

Mr K H Chan - appointed 16 September 2022

Mr K H Chan ceased to be a director after 31 December 2022 but prior to the date of this report.

Statement of directors' responsibilities

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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). 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 the group 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Auditors

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

Jack Horton

.....
Mr J Horton - Director

Date: 28/09/2023
.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WTUK LIMITED

Opinion

We have audited the financial statements of WTUK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 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; and
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 and 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WTUK LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

Auditors' 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 a Report of the Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

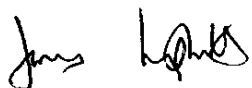
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements. Specifically reviewing compliance with the FCA regulations and reviewing complaints data for instances of non-compliance.
- Performing analytical review procedures to identify any unusual or unexpected relationships that may indicate an increased risk of material misstatement as a result of fraud.
- Ensuring amounts recorded as owed by other group companies reconcile to the accounts of those companies.
- Performing substantive testing over a selection of journal entries made in the period, to address the risk of fraud due to management override of controls.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Reviewed entity's compliance record with the Financial Conduct Authority (FCA) ensuring that there were no known issues of non-compliance. This included reviewing submissions made to the FCA during the year as well as review of the FCA complaints listings.

Despite the audit being planned carefully and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

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 a Report of the Auditors 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.



28/9/2020

James Liptrott (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

WTUK LIMITED

CONSOLIDATED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	3,531,033	2,340,841
Cost of sales		<u>1,592,834</u>	<u>1,004,537</u>
Gross profit		1,938,199	1,336,304
Administrative expenses		<u>1,468,658</u>	<u>1,186,537</u>
Operating profit	5	469,541	149,767
Interest receivable and similar income		<u>7,117</u>	<u>3,303</u>
		476,658	153,070
Interest payable and similar expenses	6	<u>27,985</u>	<u>48,911</u>
Profit before taxation		448,673	104,159
Tax on profit	7	<u>86,818</u>	<u>(6,000)</u>
Profit for the financial year		<u>361,855</u>	<u>110,159</u>
Profit attributable to: Owners of the parent		<u>361,855</u>	<u>110,159</u>

The notes form part of these financial statements

WTUK LIMITED

CONSOLIDATED OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Profit for the year		361,855	110,159
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>361,855</u>	<u>110,159</u>
Total comprehensive income attributable to: Owners of the parent		<u>361,855</u>	<u>110,159</u>

The notes form part of these financial statements

WTUK LIMITED (REGISTERED NUMBER: 08261731)

**CONSOLIDATED BALANCE SHEET
31 DECEMBER 2022**

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	10	475,090	178,466
Tangible assets	11	20,480	10,521
Investments	12	<u>4,800</u>	<u>4,800</u>
		<u>500,370</u>	<u>193,787</u>
Current assets			
Debtors	13	733,966	873,498
Cash at bank		<u>138,136</u>	<u>157,180</u>
		872,102	1,030,678
Creditors			
Amounts falling due within one year	14	<u>(681,562)</u>	<u>(548,926)</u>
Net current assets		<u>190,540</u>	<u>481,752</u>
Total assets less current liabilities		690,910	675,539
Creditors			
Amounts falling due after more than one year	15	<u>(165,640)</u>	<u>(512,124)</u>
Net assets		<u><u>525,270</u></u>	<u><u>163,415</u></u>
Capital and reserves			
Called up share capital	20	1,254	1,254
Retained earnings	21	<u>524,016</u>	<u>162,161</u>
Shareholders' funds		<u><u>525,270</u></u>	<u><u>163,415</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on28/09/2023..... and were signed on its behalf by:

Jack Horton

.....
Mr J Horton - Director

The notes form part of these financial statements

WTUK LIMITED (REGISTERED NUMBER: 08261731)

**COMPANY BALANCE SHEET
31 DECEMBER 2022**

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	10	475,090	178,466
Tangible assets	11	20,480	10,521
Investments	12	<u>462,558</u>	<u>97,730</u>
		<u>958,128</u>	<u>286,717</u>
Current assets			
Debtors	13	670,433	1,096,444
Cash at bank		<u>116,864</u>	<u>130,443</u>
		787,297	1,226,887
Creditors			
Amounts falling due within one year	14	<u>(763,601)</u>	<u>(532,909)</u>
Net current assets		<u>23,696</u>	<u>693,978</u>
Total assets less current liabilities		981,824	980,695
Creditors			
Amounts falling due after more than one year	15	<u>(165,640)</u>	<u>(512,124)</u>
Net assets		<u>816,184</u>	<u>468,571</u>
Capital and reserves			
Called up share capital	20	1,254	1,254
Retained earnings		<u>814,930</u>	<u>467,317</u>
Shareholders' funds		<u>816,184</u>	<u>468,571</u>
 Company's profit for the financial year		 <u>347,613</u>	 <u>142,707</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28/09/2023 and were signed on its behalf by:

Jack Horton

.....
Mr J Horton - Director

The notes form part of these financial statements

WTUK LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	2,452	128,502	130,954
Changes in equity			
Issue of share capital	(1,198)	-	(1,198)
Dividends	-	(76,500)	(76,500)
Total comprehensive income	-	110,159	110,159
Balance at 31 December 2021	<u>1,254</u>	<u>162,161</u>	<u>163,415</u>
Changes in equity			
Total comprehensive income	-	361,855	361,855
Balance at 31 December 2022	<u>1,254</u>	<u>524,016</u>	<u>525,270</u>

The notes form part of these financial statements

WTUK LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	1,254	401,110	402,364
Changes in equity			
Dividends	-	(76,500)	(76,500)
Total comprehensive income	-	142,707	142,707
Balance at 31 December 2021	<u>1,254</u>	<u>467,317</u>	<u>468,571</u>
Changes in equity			
Total comprehensive income	-	347,613	347,613
Balance at 31 December 2022	<u>1,254</u>	<u>814,930</u>	<u>816,184</u>

The notes form part of these financial statements

WTUK LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	818,881	218,769
Interest paid		(27,985)	(48,911)
Release from loan		<u>(328,504)</u>	<u>-</u>
Net cash from operating activities		<u>462,392</u>	<u>169,858</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(298,557)	(176,533)
Purchase of tangible fixed assets		(15,350)	(11,339)
Interest received		<u>7,117</u>	<u>3,303</u>
Net cash from investing activities		<u>(306,790)</u>	<u>(184,569)</u>
Cash flows from financing activities			
New loans in year		-	250,000
Amount introduced by directors		-	76,500
Amount withdrawn by directors		(117,131)	(102,768)
Repayment of borrowings		(57,515)	(127,453)
Equity dividends paid		<u>-</u>	<u>(76,500)</u>
Net cash from financing activities		<u>(174,646)</u>	<u>19,779</u>
(Decrease)/increase in cash and cash equivalents		<u>(19,044)</u>	<u>5,068</u>
Cash and cash equivalents at beginning of year	2	<u>157,180</u>	<u>152,112</u>
Cash and cash equivalents at end of year	2	<u><u>138,136</u></u>	<u><u>157,180</u></u>

The notes form part of these financial statements

WTUK LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Profit before taxation	448,673	104,159
Depreciation charges	7,325	7,745
Finance costs	27,985	48,911
Finance income	<u>(7,117)</u>	<u>(3,303)</u>
	476,866	157,512
Decrease/(increase) in trade and other debtors	179,663	(44,191)
Increase in trade and other creditors	<u>162,352</u>	<u>105,448</u>
Cash generated from operations	<u>818,881</u>	<u>218,769</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>138,136</u>	<u>157,180</u>

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>157,180</u>	<u>152,112</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank	<u>157,180</u>	<u>(19,044)</u>	<u>138,136</u>
	<u>157,180</u>	<u>(19,044)</u>	<u>138,136</u>
Debt			
Debts falling due within 1 year	(93,394)	39,535	(53,859)
Debts falling due after 1 year	<u>(512,124)</u>	<u>346,484</u>	<u>(165,640)</u>
	<u>(605,518)</u>	<u>386,019</u>	<u>(219,499)</u>
Total	<u>(448,338)</u>	<u>366,975</u>	<u>(81,363)</u>

The notes form part of these financial statements

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. STATUTORY INFORMATION

WTUK Limited is a private company, limited by shares, incorporated and registered in England and Wales. The company's registered number and registered office address can be found on the Company information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company.

Basis of consolidation

The group consolidated financial statements include the financial statements of the company and all its subsidiary undertakings made up to 31 December 2022.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

The directors consider assets held on lease to be classified as finance leases where substantially all the risks and rewards incidental to ownership are transferred to the company.

The directors have considered the recoverability of all investment and loans through review of the relevant companies' financials, concluding that no write-down of loans or investments is required. The review performed assessed the finances of relevant companies, taking into account group support provided to these companies.

Related party debtors are deemed to be repayable on demand. Management review forecasts and trading results of each related party to ensure that debtors are deemed recoverable as at the balance sheet date. Where there are indications that all or part of any debt is not recoverable appropriate provisions are made to reflect the fair value of the debt as at the balance sheet date.

Management have reviewed the debts outstanding as at the balance sheet date and deem these to be recoverable through the ongoing rental profits generated by related parties, as well as the repayment of debt to the related party by its director and associated businesses debts.

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Turnover

In presenting its turnover the company has disclosed the revenue attributable to the company, presented on an agency basis in accordance with generally accepted accounting practice. Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover comprises of commissions and fees generated from the remitted funds on behalf of clients and currency sales made in the normal course of business. Turnover from currency sales is recognised when receipt of payment can be assured and significant risks and rewards of ownership have transferred to the customer. Where the company enters into forward currency exchange contracts, revenue is deferred and is only recognised when receipt of payment can be assured and the significant risks and rewards of ownership have passed to the customer by including turnover within the profit and loss account.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

On the finalisation of the project, development costs will be amortised evenly over their estimated useful life.

Development costs are capitalised for all projects where a technical feasibility study has been carried out and it is intended that the group will:

- Use the development asset in the business
- There is an intention to complete the project
- The group has the ability to use the asset
- It is probable that future economic benefits will arise from the asset
- Expenditure associated with the project can be reliably measured

Database is being amortised evenly over its estimated useful life of six years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Equipment	- 25% on cost

Tangible assets are initially recorded at cost, and subsequently stated at cost less accumulated depreciation and impairment losses.

Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at their transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses. Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Investments in subsidiaries

Investments in subsidiary undertakings are recorded at cost.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The group meets its day to day working capital requirements through its current cash resources and financing facilities. The current economic conditions create uncertainty particularly over the timing and level of demand for the group's products and services. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility and cash resource. The directors have reviewed the forecasts, which have been prepared to 31 December 2025, and have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly they have prepared the financial statements on a going concern basis.

Investments

Investments are initially recorded at cost. Expected permanent material impairments are recognised in the profit and loss account for the year.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	2,134,589	1,616,439
Rest of world	1,396,444	724,402
	<u>3,531,033</u>	<u>2,340,841</u>

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	535,558	422,209
Social security costs	84,536	47,373
Other pension costs	31,146	17,733
	<u>651,240</u>	<u>487,315</u>

The average number of employees during the year was as follows:

	2022	2021
All employees	<u>17</u>	<u>15</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 17 (2021 - 15).

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

4. EMPLOYEES AND DIRECTORS - continued

	2022 £	2021 £
Directors' remuneration	203,605	195,075
Directors' pension contributions to money purchase schemes	<u>19,580</u>	<u>12,043</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022 £	2021 £
Other operating leases	135,070	61,241
Depreciation - owned assets	5,391	4,410
Computer software amortisation	1,933	3,336
Auditors' remuneration	16,127	17,292
Foreign exchange differences	<u>72,091</u>	<u>34,185</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Bank loan interest	<u>27,985</u>	<u>48,911</u>

7. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2022 £	2021 £
Current tax:		
UK corporation tax	9,818	-
Deferred tax	<u>77,000</u>	<u>(6,000)</u>
Tax on profit	<u>86,818</u>	<u>(6,000)</u>

UK corporation tax has been charged at 19% (2021 - 19%).

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

7. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Profit before tax	<u>448,673</u>	<u>104,159</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	85,248	19,790
Effects of:		
Expenses not deductible for tax purposes	519	624
Capital allowances in excess of depreciation	(3,019)	(2,031)
Utilisation of tax losses	(72,930)	-
Effect of R&D	-	(18,383)
Effect of deferred tax	<u>77,000</u>	<u>(6,000)</u>
Total tax charge/(credit)	<u>86,818</u>	<u>(6,000)</u>

In the Spring budget 2021, the UK government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19% as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using the previously enacted rate of 19% as the deferred tax balance has been reversed before 1 April 2023.

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	2022 £	2021 £
A Ordinary Shares shares of £1 each		
Final	<u>-</u>	<u>76,500</u>

10. INTANGIBLE FIXED ASSETS

Group	Development costs £	Computer software £	Totals £
Cost			
At 1 January 2022	167,734	28,799	196,533
Additions	<u>298,557</u>	<u>-</u>	<u>298,557</u>
At 31 December 2022	<u>466,291</u>	<u>28,799</u>	<u>495,090</u>
Amortisation			
At 1 January 2022	-	18,067	18,067
Amortisation for year	<u>-</u>	<u>1,933</u>	<u>1,933</u>
At 31 December 2022	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Net book value			
At 31 December 2022	<u>466,291</u>	<u>8,799</u>	<u>475,090</u>
At 31 December 2021	<u>167,734</u>	<u>10,732</u>	<u>178,466</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

10. INTANGIBLE FIXED ASSETS - continued

Company

	Development costs £	Computer software £	Totals £
Cost			
At 1 January 2022	167,734	28,799	196,533
Additions	<u>298,557</u>	<u>-</u>	<u>298,557</u>
At 31 December 2022	<u>466,291</u>	<u>28,799</u>	<u>495,090</u>
Amortisation			
At 1 January 2022	-	18,067	18,067
Amortisation for year	<u>-</u>	<u>1,933</u>	<u>1,933</u>
At 31 December 2022	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Net book value			
At 31 December 2022	<u>466,291</u>	<u>8,799</u>	<u>475,090</u>
At 31 December 2021	<u>167,734</u>	<u>10,732</u>	<u>178,466</u>

11. TANGIBLE FIXED ASSETS

Group

	Fixtures and fittings £	Equipment £	Totals £
Cost			
At 1 January 2022	25,592	102,807	128,399
Additions	<u>1,166</u>	<u>14,184</u>	<u>15,350</u>
At 31 December 2022	<u>26,758</u>	<u>116,991</u>	<u>143,749</u>
Depreciation			
At 1 January 2022	25,592	92,286	117,878
Charge for year	<u>367</u>	<u>5,024</u>	<u>5,391</u>
At 31 December 2022	<u>25,959</u>	<u>97,310</u>	<u>123,269</u>
Net book value			
At 31 December 2022	<u>799</u>	<u>19,681</u>	<u>20,480</u>
At 31 December 2021	<u>-</u>	<u>10,521</u>	<u>10,521</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Equipment £	Totals £
Cost			
At 1 January 2022	25,592	102,807	128,399
Additions	<u>1,166</u>	<u>14,184</u>	<u>15,350</u>
At 31 December 2022	<u>26,758</u>	<u>116,991</u>	<u>143,749</u>
Depreciation			
At 1 January 2022	25,592	92,286	117,878
Charge for year	<u>367</u>	<u>5,024</u>	<u>5,391</u>
At 31 December 2022	<u>25,959</u>	<u>97,310</u>	<u>123,269</u>
Net book value			
At 31 December 2022	<u>799</u>	<u>19,681</u>	<u>20,480</u>
At 31 December 2021	<u>-</u>	<u>10,521</u>	<u>10,521</u>

12. FIXED ASSET INVESTMENTS

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Shares in group undertakings	-	-	457,758	92,930
Other investments not loans	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>
	<u>4,800</u>	<u>4,800</u>	<u>462,558</u>	<u>97,730</u>

Additional information is as follows:

Group

Investments (neither listed nor unlisted) were as follows:

	2022 £	2021 £
Other investments	<u>4,800</u>	<u>4,800</u>

Company

	Shares in group undertakings £
Cost	
At 1 January 2022	92,930
Additions	<u>364,828</u>
At 31 December 2022	<u>457,758</u>
Net book value	
At 31 December 2022	<u>457,758</u>
At 31 December 2021	<u>92,930</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

12. FIXED ASSET INVESTMENTS - continued

Company

Investments (neither listed nor unlisted) were as follows:

	2022	2021
	£	£
Other investments	<u>4,800</u>	<u>4,800</u>

The company holds 100% of the share capital of WTSG PTE. Limited and WB 2014 Limited.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	400	2,746	400	2,746
Amounts owed by group undertakings	-	-	-	279,016
Other debtors	390,115	544,023	328,531	488,239
Directors' loan accounts	291,588	174,457	291,588	174,457
Deferred tax asset	-	77,000	-	77,000
Prepayments and accrued income	<u>51,863</u>	<u>75,272</u>	<u>49,914</u>	<u>74,986</u>
	<u>733,966</u>	<u>873,498</u>	<u>670,433</u>	<u>1,096,444</u>

Deferred tax asset

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax	<u>-</u>	<u>77,000</u>	<u>-</u>	<u>77,000</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 16)	-	3,463	-	3,463
Other loans (see note 16)	53,859	89,931	53,859	89,931
Trade creditors	371,592	280,187	367,509	277,787
Amounts owed to group undertakings	-	-	99,495	-
Tax	32,082	22,264	32,082	22,264
Social security and other taxes	170,028	105,825	165,522	101,319
Other creditors	27,874	9,424	23,629	8,452
Accruals and deferred income	<u>26,127</u>	<u>37,832</u>	<u>21,505</u>	<u>29,693</u>
	<u>681,562</u>	<u>548,926</u>	<u>763,601</u>	<u>532,909</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans (see note 16)	<u>165,640</u>	<u>512,124</u>	<u>165,640</u>	<u>512,124</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Amounts falling due within one year or on demand:				
Bank loans	-	3,463	-	3,463
Other loans	<u>53,859</u>	<u>89,931</u>	<u>53,859</u>	<u>89,931</u>
	<u>53,859</u>	<u>93,394</u>	<u>53,859</u>	<u>93,394</u>
Amounts falling due between one and two years:				
Other loans - 1-2 years	<u>59,558</u>	<u>94,701</u>	<u>59,558</u>	<u>94,701</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>106,082</u>	<u>417,423</u>	<u>106,082</u>	<u>417,423</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2022 £	2021 £
Within one year	51,967	65,746
Between one and five years	<u>44,973</u>	<u>96,639</u>
	<u>96,940</u>	<u>162,385</u>

Company

	Non-cancellable operating leases	
	2022 £	2021 £
Within one year	51,967	65,746
Between one and five years	<u>44,973</u>	<u>96,639</u>
	<u>96,940</u>	<u>162,385</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

18. DEFERRED TAX

Group

	£
Balance at 1 January 2022	(77,000)
Utilised trading losses	<u>77,000</u>
Balance at 31 December 2022	<u>-</u>

Company

	£
Balance at 1 January 2022	(77,000)
Utilised trading losses	<u>77,000</u>
Balance at 31 December 2022	<u>-</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
627	A Ordinary Shares	£1	627	627
627	B Ordinary Shares	£1	<u>627</u>	<u>627</u>
			<u>1,254</u>	<u>1,254</u>

Income

The A and B shares will be entitled to profits of the company from time to time as agreed by all of the A and B ordinary shareholders. Dividends may, subject to the provisions of the Act, be payable by the directors at variable rates on the different classes of shares. The directors may only pay dividends on the unanimous approval of the shareholders.

Capital

On a return of assets in liquidation, the assets of the company remaining after the payment of its liabilities shall be distributed equally between each class of shares and then in proportion to the number of shares held by each shareholder within each class.

Voting Rights

With the exception of approving dividend payments, each shareholder shall have one vote for each share held.

Class Rights

Whenever the capital of the company is divided into different classes of shares the rights attached to any class may be varied or abrogated either whilst the company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75% of the issued shares of that class. The A Ordinary Shares and the B Ordinary Shares rank pari passu in all respects.

20. RESERVES

Group

	Retained earnings £
At 1 January 2022	162,161
Profit for the year	<u>361,855</u>
At 31 December 2022	<u>524,016</u>

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

20. RESERVES - continued

Company

	Retained earnings £
At 1 January 2022	467,317
Profit for the year	<u>347,613</u>
At 31 December 2022	<u><u>814,930</u></u>

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Transactions with directors

During the year the following transactions took place and at the year-end the balances existed with directors of the company.

	2022 £	2021 £
Opening balance owed to the company	174,457	148,190
Loans to director during the year	117,131	102,767
Loans repaid to the company during the year	<u>-</u>	<u>(76,500)</u>
Closing balance owed to the company	<u><u>291,588</u></u>	<u><u>174,457</u></u>

It is the company policy to charge interest on all overdrawn loan accounts at the HMRC official rate of interest. The amount charged during the year in respect of the above loans was £4,732 (2021 - £3,200).

WTUK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

22. RELATED PARTY DISCLOSURES

During the period the company had the following transactions with related parties:

	2022 £	2021 £
Companies in which a director is a beneficial owner		
Balance brought forward owed to the company	68,579	74,079
Amounts paid to the related companies	-	-
Amounts written off	-	-
Amounts paid to the company	(9,366)	(5,500)
Balance carried forward owed to the company	<u>59,213</u>	<u>68,579</u>
Companies in which a director has common control		
Balance brought forward owed to the company	312,610	288,169
Amounts paid to the related company	68,456	36,035
Amounts paid to the company	(161,922)	(11,594)
Amounts impaired	(30,631)	-
Balance carried forward owed to the company	<u>188,513</u>	<u>312,610</u>
Companies which a beneficial owner owns		
Balance owed by the company when they became a related party	(502,522)	(385,277)
Purchases	(1,505,101)	(298,790)
Amounts written off	328,504	4,322
Payments made	1,823,748	177,223
Balance carried forward owed by the company	<u>144,629</u>	<u>(502,522)</u>

The company has taken advantage of exemption under the terms of Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

23. SHARE-BASED PAYMENT TRANSACTIONS

The company has a share option scheme for an employee. The option was granted on 13 July 2015 and originally covered 30 A Ordinary shares and 3 B Ordinary shares in the company. The option was exercisable at a price of £100 per A Ordinary share and £1,000 per B Ordinary share.

Following the variation of share capital on 26 October 2021 the share option was adjusted to cover 16 A Ordinary shares and 16 B Ordinary shares in the company. The option is now exercisable at a price of £100 per A Ordinary share and £100 per B Ordinary share.

The vesting period is from the date of grant for a period of 10 years.

If the option remain unexercised after a period of 10 years from the date of grant, the option expires. The option is forfeited if the employee leaves the company before the option vests.

The company has elected not to apply Section 26 Share based payments to equity instruments granted before the date of transition to FRS 102. FRS 20 has been applied to instruments granted prior to the date of transition.

On 24 May 2022, two employees were granted share options of 13 shares each at an exercise price of £212.30 per share.

The options can be exercised in full following the third anniversary of the date of grant or an exit (takeover, listing or sale).

If the options remained unexercised after a period of 10 years from the date of grant, the options expire. The options are forfeited if the employee leaves the company.