WH IRELAND

Annual Report & Financial Statements

31 March 2023

Helping you see the bigger picture

Contents

About WH Ireland Group plc

WH Ireland Group plc is the holding company for WH Ireland Limited (WHI). WHI provides a high quality service across both of its business areas - a Wealth Management division providing investment solutions for individuals, families and charities and a Capital Markets division which is a leading firm for public and private companies seeking corporate advice and investment capital. WHI is currently the third largest broker to AIM companies and the fifth largest Nominated Adviser to AIM by number of clients.

Wealth Management

WHI provides financial planning advice and discretionary investment management. Our goal is to build long-term, mutually beneficial, working relationships with our clients so that they can make informed and effective choices about their money and how it can support their lifestyle ambitions. We help clients to build a long-term financial plan and investment strategy for them and their families.

Capital Markets

Our Capital Markets division is specifically focused on the public and private growth company marketplace. The team's significant experience in this dynamic segment means that we are able to provide a specialist service to each of its respective participants. For companies, we raise public and private growth capital, as well as providing both day-to-day and strategic corporate advice including M&A advisory. Our tailored approach means that our teams engage with all of the key investor groups active in our market - High Net Worth individuals, Family Offices, Wealth Managers and Funds. Our broking, trading and research teams provide the link between growth companies and this broad investor base.

**Source: Corporate Adviser Rankings Guide – July 2023.*

Financial highlights

Revenue

£26.7m

(FY22: £32.0m)

Loss before tax

£1.8m loss

(FY22: profit £0.1m)

Group Assets under Management (AUM)

£2.1bn

(FY22: £2.4bn)

Underlying loss before tax[1]

£2.0m loss

(FY22: profit £1.4m)

Earnings per share
(basic)

(3.29p)

(FY22: 0.13p)

Underlying earnings per share[1]
(basic)

(3.36p)

(FY22: 2.34p)

[1] A reconciliation from underlying profits to statutory profits is shown within the financial review on page 8.

Divisional highlights

Wealth Management

Continued improvement in the quality of the business over the year, with fee income now representing

89% (FY22: 85%)

of total wealth management income

Management and Wealth planning fee income

£13.2m

(FY22: £13.5m)

WM total AUM

£1.4bn

(FY22: £1.6bn)

Discretionary managed assets

£1.00bn

(FY22: £1.02bn)

Capital Markets

Decrease in total funds raised and in average fund raise per transaction

£111m/25 transactions

(FY22: £236m/38)

Welcomed 18 new retained quoted corporate clients to end year at

90

(FY22: 88)

Top 5

Nomad*

Top 3

Corporate Broker*

Source: Corporate Adviser Rankings Guide – July 2023.

Chair and Chief Executive's statement

"Against a difficult and well-publicised market backdrop WH Ireland has had a challenging year. I am confident that the business has improved its chances of returning to a more stable position following the steps taken during and after the year end."

Simon Lough
Chair

Chair's opening paragraph

Phillip Wale
CEO

Chief Executive's statement

Market backdrop
The market backdrop has been extremely challenging. While the FTSE 100 has been relatively resilient compared with overseas exchange, the AIM All Share Index fell 22% over the period. These market conditions severely impacted transactional business (and particularly fundraisings) in our Capital Markets Divisions.

The Financial Year 2023
Overall revenue fell 17% from the previous year from £32.0m to £26.7m, but we also reduced administrative expenses by 17% from £33.1m to £27.6m. However in the previous financial year we had benefited from gains on investments (£1.6m), principally warrants or equity received in partial payment of fees. Many of these investments are in smaller companies, and the reversal in markets during the year saw a loss on investments of £2.7m. While we benefitted from significant VAT rebates during the year of £2.2m, this led to a loss overall for the business of £1.8m.

In October 2022, in response to continuingly poor market conditions the Board engaged external corporate advisors to assist in a review of the strategy for the group. As a result of this review the Board actively explored asset sales of parts of the business.

Following the end of the period under review, the Group announced in July 2023, it had conditionally raised £5m through a placing of shares in the Company. The placing with both new and existing shareholders was approved by shareholders on 15 August 2023 (see note 33 for further details).

At the same time, the Group also commenced a cost reduction exercise, the benefit of which is expected to take effect from Q3 of Financial Year ending 31 March 2024. The Directors believe the recent placing and the cost reduction exercise gives the Group an improved chance of returning to a break-even position and securing the future of the Group.

Clients
Our clients remain our priority and our central mission is to continue to provide excellent and improved service to our corporate, institutional and private clients. I would like to take the opportunity to thank all of our clients for their loyalty and flexibility as we have continued to introduce change and improvements during another year of challenges.

Employees
We have kept tight controls on costs throughout the year and finished the year with 159 employees against 158 at the start of the period. A further fall in headcount is expected after the year end following the cost reduction exercise.

On behalf of the Board, I would like to express our appreciation for the continuing hard work and loyalty of employees throughout a difficult period.

Shareholders
I would like to thank our shareholders for their continuing support and welcome the new investors who joined in our most recent placing in July 2023.

Wealth Management (WM)
WM income was more resilient, but market falls still led to a reduction of assets under management from £1.6bn to £1.4bn. This was the principal reason for a fall in revenue of 9% (from £15.8m to £14.4m). However we also acted to reduce costs, including the closure of our Cardiff office, and WM recorded a small profit for the year, after receipt of the VAT rebate.

Capital Markets (CM)
CM revenue is derived from retainer income, earned from our role as NOMAD or broker to clients, and transactional income. While retainer income held up well, and we finished the year with 90 clients, against 88 at the beginning of the period, transactional income was severely hit, with a particularly sharp fall in corporate fundraisings. This led to an overall drop in CM revenue of 25%, from £16.2m to £12.2m.

Looking forward
Following the July fundraise after the year-end and together with the implementation of our cost reduction programme, we believe the Group has an improved chance of returning to a break-even position.

Financial review

Overview

The WH Ireland Group consists of a principal operating subsidiary, WH Ireland Limited.

WH Ireland Limited consists of two business divisions: Wealth Management (WM), which provides investment management solutions and financial advisory services to retail clients and Capital Markets (CM) which provides a range of services to both public and private companies, including day to day regulatory and strategic corporate advice, institutional sales and broking services; and the production of equity research. It also provides trading services to Funds, High Net worth individuals and Family Offices.

Total assets managed by the Group are £2.1bn (FY22: £2.4bn). Of this total, £1.4bn (FY22: £1.6bn) is held in WM with a further £0.7bn (FY22: £0.7bn) within CM's Ultra High Net Worth business.

The Group's income is derived from activities conducted in the UK with a number of retail, high net worth, ultra-high net worth, institutional and corporate clients.

The average Group headcount for the year was 163 (FY22: 158) in the UK.

Strategy summary

Following the fundraise that took place after the year ended 31 March 2023 (see note 33 for further details), the Group's aim is to increase the value of discretionary assets under management in WM. We also aim to continue to service our new and existing corporate client list in CM, whilst sourcing new transactional activity utilising our strong distribution capability in public and private markets.

Group financial results summary

	Year to 31 Mar 2023 £'000	Year to 31 Mar 2022 £'000
Revenue	26,688	32,035
Administrative expenses	(27,550)	(33,062)
Expected credit loss	(239)	(81)
Operating loss	(1,101)	(1,108)
Net (loss) / gains on investments	(2,683)	1,626
Finance income	10	1
Finance expense	(224)	(511)
Other income	2,175	-
(Loss) / profit before tax	(1,823)	8
Taxation	(121)	67
(Loss) /profit and total comprehensive income for the year	(1,944)	75

Reconciliation between underlying and statutory profits

Underlying profit before tax is considered by the Board to be an accurate reflection of the Group's performance when compared to the statutory results, as this excludes income and expense categories which are deemed of a non-recurring nature or non-cash operating item. Reporting at an underlying level is also considered appropriate for external analyst coverage and peer group benchmarking. A reconciliation between underlying and statutory profit before tax for the year ended 31 March 2023 with comparative is shown below:

	Year to 31 Mar 2023 £'000	Year to 31 Mar 2022 £'000
Underlying (loss) / profit before tax	(1,987)	1,397
Acquisition related items		
- Deal structuring and integration costs	-	(446)
Amortisation of acquired brand and client relationships	(496)	(505)
Changes in fair value and finance cost of deferred consideration	(173)	(416)
Restructuring costs	-	(835)
Other income	1,957	-
Net changes in the value of non-current investments	(1,124)	813
Total underlying adjustments	164	(1,389)
Statutory (loss) / profit before tax	(1,823)	8
Underlying earnings per share		
Weighted average number of shares in issue during the period (note 12)	59,206	59,692
Basic underlying earnings per share	(3.36p)	2.34p

Deal restructuring and integration costs

These represent costs incurred in relation to the acquisition of Harpsden and include the integration and retention costs of staff and the costs of the transfer of assets on to the SEI operating platform.

Amortisation of acquired brand and client relationships

These intangible assets are created in the course of acquiring funds under management and are amortised over their useful life which have been assessed between two to 12 years. This charge has been excluded from underlying profit as it is a significant non-cash item.

Changes in fair value and finance cost of deferred consideration

This comprises the fair value measurement arising on the deferred consideration payments from acquisitions together with the associated finance costs from the unwinding of the present value discount relating to the Harpsden acquisition.

Restructuring costs

These costs relate to the restructuring costs within both WM and CM and the resultant costs of redundancies of staff in the London office arising from the closure of the Cardiff office.

Other income

During the year the Group received a refund of £2.2m from HMRC. This was following confirmation from HMRC that the supply of certain Group services were exempt from VAT during the period from 2017 to 2022. This is presented net of commission payable to third parties of £218k.

Net changes in value of investments

As part of the fee arrangement with corporate clients in CM, there is often a grant of warrants over shares or the issue of actual shares in addition to the cash element of the fee. The value of such warrants and shares are credited to revenue on the date of the fee note and then any changes in the valuation are recorded as net gains or losses. In view of the nature of these gains or losses, including non-cash, these gains or losses have been excluded from underlying profit. Corresponding commission payable of £1,559k on the gain or loss of these warrants are included in the net changes above.

Financial review

Revenue

Wealth Management
The Wealth Management Division incorporates both investment management services and financial planning advice from offices in London, Manchester, Poole and Henley.

The strategy in this division is to focus our efforts on growing the number of discretionary portfolios. This will be achieved by a mixture of organic growth through new business initiatives, continued personal referrals and the movement of existing advisory and execution clients to our discretionary service.

Total WM AUM at 31 March 2023 was £1.4bn (FY22: £1.6bn) as detailed in the table below. The majority of client assets are managed on the SEI platform with a small balance of ex-Harpsden clients remaining on another third-party platform.

Discretionary funds on SEI fell by 5.8% over the year (FY22: increased by 6.2%), due to net business outflows of £26.7m (FY22: net inflows £64.9m) representing a loss of 2.6% of opening funds (FY22: a gain of 6.7%) and a market performance reduction of £30.6m (FY22: £22.1m) due to negative market conditions.

WM funds flow table for the year:

	Discretionary £m	Advisory £m	Execution Only £m	Custody* £m	Total £m
As at 1 April 2022	1,019.5	84.8	362.9	101.2	1,568.4
Inflows	115.2	3.5	44.7	18.7	182.1
Outflows	(141.9)	(6.8)	(102.3)	(22.0)	(273.0)
Service switches	(2.2)	(24.5)	26.7	-	-
Market Performance	(30.6)	(13.7)	(22.3)	(13.0)	(79.6)
SEI at 31 March 2023	960.0	43.3	309.7	84.9	1,397.9
External platforms	36.2	-	-	-	36.2
Total WM AUM at 31 March 2023	996.2	43.3	309.7	84.9	1,434.1

**Custody represents discretionary managed assets held on our SEI platform by New Horizons LLP a company with whom revenues are shared. Note that growth in discretionary assets under management is represented by the sum of net inflows, net service switches and market performance.*

Total WM revenue fell by 8.8% to £14.4m (FY22: increased 19.2%). Market conditions impacted on trading activity resulting in a reduction of commission revenue in the year of 48.0% to £1.2m (FY22: £2.2m).

	2023 £'000	2022 £'000
Management fees and wealth planning	13,223	13,549
Commissions	1,156	2,221
Other	64	67
Total	14,443	15,837

Capital Markets

Our Capital Markets Division is specifically focused on the public and private growth company marketplace. The team's significant experience in this dynamic segment means that we are able to provide a specialist service to each of its respective participants. For companies, we raise public and private growth capital, as well as providing both day-to-day and strategic corporate advice. Our tailored approach means that our teams engage with all of the key investor groups active in our market - High Net Worth Individuals, Family Offices, Wealth Managers and Funds. Our broking, trading and research teams provide the link between growth companies and this broad investor base. Total CM AUM at 31 March 2023 was £0.7bn (FY22: £0.8bn). The client assets are managed on the Pershing platform and the majority are held as execution only.

Total revenue for the year decreased by 24.4% to £12.2m (FY22: £16.2m) due to challenging market conditions impacting on activity levels and the number of transactions. The number of retained clients increased to 90 at the year-end and an increase in retainer fees provided an uplift in retainer revenue of 12.4% to £4.2m (FY22: £3.8m). The completion of three successful IPOs (compared to five in the previous period) and fall in total number of transactions to 25 (FY22: 38) were the drivers for the 48.6% decrease to £5.1m (FY22: £9.9m) in transaction fees. CM also executed a wide range of advisory work for its clients. Despite the market backdrop, trading and commission revenue increased by 17.7% in the year.

	2023 £'000	2022 £'000
Transaction fees	5,128	9,979
Retainer fees	4,234	3,769
Equity Commissions and Trading	2,883	2,450
Total	12,245	16,198

Transaction fees are further analysed as follows:

	2023 £'000	2022 £'000
IPOs	934	1,878
Secondary equity issues	4,060	4,311
Other revenue incl. advisory and M&A	134	3,790
Total	5,128	9,979

Financial review

Expenses

Total operational costs decreased by 16.7%. As part of cost of sales, third party commission reduced by 87.6%, due to agreements that are revenue contingent. Variable people costs, mainly related to bonus payments have reduced by 40%.

	2023 £'000	2022 £'000
Cost of sales – non-salaried staff costs (note 7)	605	4,895
Fixed non-people costs	10,826	10,464
Fixed people costs	14,243	14,577
Variable people costs	1,876	3,126
Total	27,550	33,062

Financial position and regulatory capital: Net assets decreased to £13.6m at 31 March 2023 (FY22: £15.4m) and tangible net assets (net assets excluding intangible assets and goodwill) decreased by 14.1% to £6.5m (FY22: £7.6m).

The Investment Firms Prudential Regime (IFPR) applies to all solo-regulated MiFID investment firms and WH Ireland is a non-SNI (small and non-interconnected) MIFIDPRU investment firm.

Accordingly, the Group's regulatory capital requirement is its fixed overhead requirement as defined by the Financial Conduct Authority (FCA). Due to market conditions remaining challenging and losses incurred during the period, the Group notified the FCA that it had fallen within its regulatory capital planning buffer. The Group had further discussions with the FCA in order to ensure that, in the absence of the injection of further capital pursuant to the Placing, the Company could deliver a solvent wind down for the Group, if required, in line with the Company's solvent wind down plan (SWDP). A solvent wind down plan is a plan drawn up in accordance with regulatory requirements in order to facilitate an orderly wind down of a regulated firm. After the year-end the Group carried out a placing to raise £5m by way of the issue of ordinary shares (further details can be found in note 33), to ensure that the Group's own funds are in excess of its regulatory capital requirement.

Cost reduction exercises were also implemented after the year-end, including certain members of senior management agreeing to sacrifice a proportion of their salary in return for share options, alongside a collective consultation regarding headcount reduction.

As a result, the Directors have reviewed the forward-looking position as part of the going concern modelling and stress testing and in light of post year-end events believe that the regulatory requirements will be met.

Future developments

The Group was subject to challenging market conditions resulting from a number of well documented public events. The Directors believe that the combination of the placing, approved by shareholders in August 2023, and the cost reduction exercise gives the Group an improved chance of returning to a break-even position. The funds from the placing have been used to provide working capital, secure the current regulatory capital position and achieve a more stable financial position for the Group against the current market backdrop. Prior to the placing, the Board had actively explored asset sales. The Directors will continue to assess the benefit of asset sales to shareholders should any future market opportunities arise.

Financial review

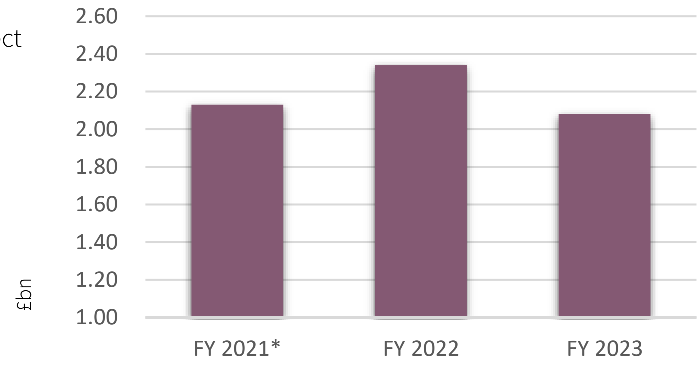
Key Performance Indicators

The following financial and strategic measures have been identified as the key performance indicators (KPIs) of the Group's overall performance for the financial year.

1. GROUP ASSETS UNDER MANAGEMENT

The total value of funds under management has a direct impact on the Group's revenue.

-11%

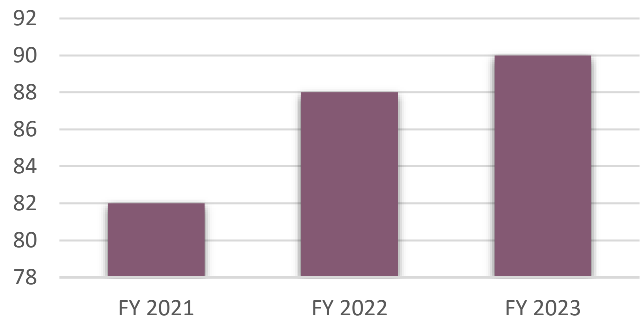


*FY 2021 includes acquisition of Harpsden Wealth Management Limited.

2. NUMBER OF RETAINED CAPITAL MARKETS CORPORATE CLIENTS

The number of retained clients has a direct relationship to the value of fees earned from success fees and retainer income in Capital Markets.

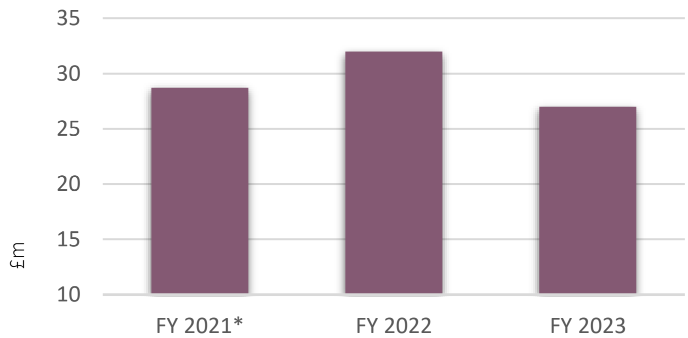
+2



3. TOTAL REVENUE

The amount of revenue generated by Wealth Management and Capital Markets together is one of the key growth indicators.

-16%

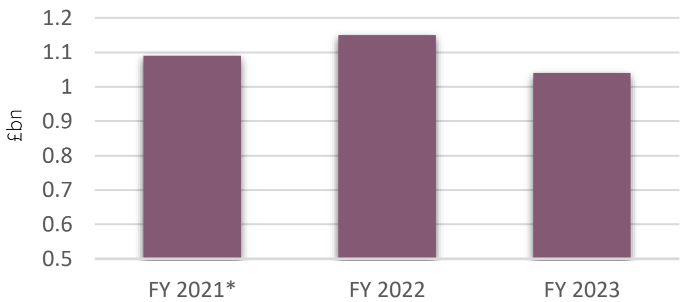


*FY 2021 revenue has been restated to reflect the reclassification from revenue to net gains on investments.

4. DISCRETIONARY AND ADVISORY ASSETS UNDER MANAGEMENT (WM)

Discretionary and advisory funds are the main income driver for our Wealth Management business.

-10%



*FY 2021 includes acquisition of Harpsden Wealth Management Limited.

Dividends

The Board does not propose to pay a dividend in respect of the financial year (FY22: £nil).

Statement of Financial Position and Capital Structure

Maintaining a strong and liquid statement of financial position remains a key objective for the Board, alongside its regulatory capital requirement. Due to losses during the period, the group notified the FCA on 21 December 2022 that it was within its Capital Planning Buffer of £2.8m, which forms part of its regulatory capital requirement, and further losses in the final quarter of the financial year meant that at the year-end the Group was £0.9m below the regulatory capital requirement of £9.6m. The Group has been in discussion with the FCA with regard to its capital position and having actively explored the option of an asset sale, undertook a successful placing of shares subsequent to the year-end as detailed in note 33 below in order to provide working capital, secure the current regulatory capital position and achieve a more stable financial position for the Group against the current market backdrop. As at 31 March 2023, total net assets were £13.6m (FY22: £15.4m) and net current assets £4.6m (FY22: £3.9m). Cash balances at year-end were £4.2m (FY22: £6.4m).

Risks and Uncertainties

Risk appetite is established, reviewed and monitored by the Board. The Group, through the operation of its Committee structure, considers all relevant risks and advises the Board as necessary. The Group maintains a comprehensive risk register as part of its risk management framework encouraging a risk-based approach to the internal controls and management of the Group. The risk register covers all categories including human capital risk, regulatory risk, conduct (client) risk, competition, financial risk, IT and operational resilience risk and legal risk. Each risk is ranked on impact and likelihood and mitigating strategies are identified. In addition, the Executive Committee which is formed of the Executive Directors, the Heads of the business divisions, a representative from HR and Chief Risk and Compliance Officer meet to assess and monitor these. An Executive Risk Committee has recently been established to manage and monitor risks and report into the Board.

The Group has outsourced its internal audit function to Deloitte since April 2021. Deloitte formally report to Tom Wood, Chair of the Audit Committee with Stephen Balonwu, Chief Risk and Compliance Officer, being the principal day to day contact.

Liquidity and capital risk

The Group continues to focus on managing the costs of its business and returning to growth and sustainable profitability whilst increasing the proportion of recurring revenue with CM and the building of its discretionary fee paying client base in WM to better fit the regulatory environment in which it operates.

To mitigate risk, the Board continues to focus on ensuring that the financial position remains robust and suitably liquid with sufficient regulatory capital being maintained over the minimum common equity tier 1 capital requirements. Regulatory capital and liquid assets are monitored on a daily basis.

Operational risk

Operational risk is the risk of loss to the Group resulting from inadequate or failed internal processes, people and systems, or from external events.

Business continuity risk is the risk that serious damage or disruption may be caused as a result of a breakdown or interruption, from either internal or external sources, of the business of the Group. This risk is mitigated in part by the number of branches across the UK and the Group having business continuity and disaster recovery arrangements including business interruption insurance.

The Group seeks to ensure that its risk management framework and control environment is continuously evolving which Compliance and Risk monitor on an ongoing basis.

Credit risk

The Board takes active steps to minimise credit losses including formal new business approval, and the close supervision of credit limits and exposures, and the proactive management of any overdue accounts. Additionally, risk assessments are performed on an ongoing basis on all deposit taking banks and custodians and our outsourced relationships.

Regulatory risk

The Company operates in a highly regulated environment in the UK. The Directors monitor changes and developments in the regulatory environment and ensure that sufficient resources are available for the Group to implement any required changes. The impact of the regulatory environment on the Group's management of its capital is discussed in note 27 of the financial statements.

Section 172 Statement

Broader Stakeholder Interests
Directors of the Group must consider Section 172 of the Companies Act 2006 which requires them to act in the way that would most likely promote the success of the Group for the benefit of all its stakeholders. The Board and its committees consider who its key stakeholders are, the potential impact of decisions made on them taking into account a wider range of factors, including the impact on the Company's operations and the likely consequences of decisions made in the long-term. The Group's key stakeholders and how the Board and the Group have engaged with them during the year is set out below.

Employees
The CEO and his management team on behalf of the Board engage with employees through a variety of methods including periodic 'all staff' updates, information and points of interest, staff forums, group meetings and Town Hall meetings. Further details can be found in the corporate social responsibility section on page 29.

Shareholders
Our shareholders have been pivotal in supporting the Group and its management team and Board. The Board recognise and frequently discuss the importance of good, open and constructive relationships with both potential new shareholders as well as existing shareholders and is committed to this communication. The way in which this has been achieved during the year has been by our Chief Executive Officer, supported by the management team, maintaining regular contact and meetings with individual and institutional shareholders, both existing and potential, and communicating and discussing shareholders' views with the Board. A number of Board members and employees also hold the Group's shares and regular communications are provided. The Group's strategy and results are presented to shareholders through meetings following announcements of the final and interim results. Shareholders are also invited to meet the Board and management team, who attend the Annual General Meeting. The annual report and accounts for the year ended 31 March 2023 along with all past accounts, regulatory communications and other material is set out on the Group's website at https://www.whirelandplc.com/investor-relations.

Regulators
The Board maintains continuous and open communication with our regulators at the FCA as well as with the London Stock Exchange. Regular ongoing dialogue has continued through the CEO and CFO with the FCA who receive regular Management information. The FCA have approved the appointments of each member of the Management team and the Board members as required.

Clients
Our clients are fundamental to the business of the Group and the Board recognise that their interests are of paramount importance. Management of WM and CM closely engage with clients to understand their objectives so that the service provided by the business is appropriate. In WM the client's profile and the suitability of the investment strategy provided is frequently assessed by our professional investment managers and this is supplemented by a second line of review from management and our compliance team. It is recognised that the status of our clients can and does change in line with the environment and vulnerable clients in particular are identified and discussed at management and at Committee level to ensure that they are provided with the best possible advice.

In CM the Group's objective is also to achieve the best outcome and this applies equally to institutional corporate clients. Regular contact is maintained with them across all departments including corporate broking, corporate finance, trading and research. Our investor relations team arranges meetings with investors, undertakes site visits and organises events for a wide range of our clients' teams.

Community and Suppliers
The Board through its Executive Directors is keenly focused on its key supplier relationships and regularly challenges and reviews its arrangements. The Group openly encourages its offices and employees to engage in local charitable, community groups and other causes. Further detail can be found on page 31.

Each of the Board members consider that they have acted together, in good faith in a way most likely to promote the success of the Group for the benefit of its broader range of stakeholders as a whole taking into account section 172 (1) (a-f) of the Companies Act 2006.

The Strategic Report on pages 7 – 14 has been approved by the Board and signed on its behalf by:

S Jackson
Chief Finance Officer
September 2023

Directors' report

The Directors present their annual report on the affairs of the Group, together with the financial statements and Independent Auditors' Report, for the year ended 31 March 2023.

Going concern

The financial statements of the Group have been prepared on a going concern basis. In making this assessment, the Directors have prepared detailed financial forecasts for the period to September 2024 which consider the funding and capital position of the Group and Company. Those forecasts make assumptions in respect of future trading conditions, notably the economic environment and its impact on the Group's revenues and costs. In addition to this, the nature of the Group's business is such that there can be considerable variation in the timing of cash inflows. The forecasts take into account foreseeable downside risks, based on the information that is available to the Directors at the time of the approval of these financial statements.

Certain activities of the Group are regulated by the FCA, the statutory regulator for financial services business in the UK which has responsibility for policy, monitoring and discipline for the financial services industry. The FCA requires the Group's capital resources to be adequate; that is sufficient in terms of quantity, quality and availability, in relation to its regulated activities. The Directors monitor the Group's regulatory capital resources on a regular basis.

The Group had been in discussion with the FCA (including in respect of the Group's relevant net asset and regulatory capital positions) in order to ensure that, in the absence of the injection of further capital pursuant to the placing, the Company could deliver a solvent wind down for the Group, if required, in line with the Company's solvent wind down plan (SWDP). A solvent wind down plan is a plan drawn up in accordance with regulatory requirements in order to facilitate an orderly wind down of a regulated firm, as further described below. On the basis of the adverse current and forecast trading and resultant losses, without further funding pursuant to the placing, the SWDP would have been required to be implemented post year-end.

The Directors have conducted full and thorough assessments of the Group's business and the past financial year has provided a thorough test of those assessments. The significant market turbulence presented a range of challenges to the business and as a result after the year-end the Group proceeded to raise additional capital by way of placing of ordinary shares to existing shareholders and new investors (further details can be found in note 33) raising £5m. Additionally, cost reduction exercises were implemented and the benefits are expected to take effect from quarter 3 of the financial year. The cost savings have been factored into the forecasts.

Whilst there always remains uncertainty over the economic environment, after the year-end the business has improved its capital position and likelihood of a return to a break-even position. Further actions open to the Directors include incremental cost reductions, regulatory capital optimisation programmes or further capital raising.

An analysis of the potential downside impacts was conducted as part of the going concern assessment to assess the potential impact on revenue and asset values with a particular focus on the variable component parts of our overall revenue, such as corporate finance fees and commission. Furthermore, reverse stress tests were modelled to assess what level the Group's business would need to reduce to before resulting in a liquidity crisis or a breach of regulatory capital. That modelling concluded that transactional, non-contractual revenue would need to decline by more than 60% from management's forecasts to create such a crisis situation within 18 months' time.

Based on all the aforementioned, the Directors believe that regulatory capital requirements will continue to be met and that the Group and Company has sufficient liquidity to meet its liabilities for the next 12 months and that the preparation of the financial statements on a going concern basis remains appropriate.

Subsequent Events

Following the year-end, the Group announced in July 2023 a successful £5m placing of shares in order to ensure it had sufficient FCA regulatory capital. The placing with both new and existing shareholders was approved by shareholders on 15 August (see note 33 for further details).

At the same time the Group also commenced a cost reduction exercise, the benefit to take effect from quarter 3 of financial year 2024 to further secure a more stable financial position for the Group.

After the year-end further settlement to the former shareholders of Harpsden of £654k was made pursuant to the original agreement. The part settlement was made by way of share issue of 2,841,538 ordinary shares of 5p at an issue price of 23p per share on 19 April 2023.

Likely future developments

The initial stages of restructuring the Group focuses on the reduction of fixed costs of the business, as stated in the Chief Executive's statement. The next stages include restoring growth in the business in the coming year.

Financial instruments and risk management

Details of risks and risk management arising from the Group's financial instruments are set out in note 25 of the financial statements.

Directors

The Directors who held office during the year and their interest in the shares of the Company were as follows:

	Year ended 31 Mar 2023 Number of shares	Year ended 31 Mar 2022 Number of shares
S N Lough	479,544	479,544
P A Wale	254,600	171,295
S J Jackson (appointed 14 February 2022)	-	-
H Sinclair (appointed 4 May 2021)	7,017	6,125
T Wood (appointed 20 September 2021)	44,444	44,444
P J Shelley (resigned 25 April 2022)	-	1,549,150

Further details of Directors' service contracts, remuneration, share interests and interests in options over the Company's shares can be found in the Remuneration Report on page 37.

Major Shareholdings

At the date of publication of this report, the Company had been notified of the following shareholdings (other than those of the Directors) of 3% or more of the share capital:

	Ordinary shares	%
TFG Asset Management UK LLP*	70,559,877	29.90
M Lawson	22,950,134	9.73
UBS Investment Bank	19,855,841	8.41
Clarendon Trust – Sab Fund B	9,169,999	3.90

*TFG Asset Management also have an indirect interest in a further 20,906,865 existing Ordinary Shares (a further 8.96%) by way of contract for differences.

The Company's Employee Share Ownership Trust (ESOT), the trustee for which is Apex Group Fiduciary Services Limited (formerly Sanne Fiduciary Services Limited), held 3,117,418 shares (FY22: 2,839,500), at a nominal value of 1p per share. All rights to receive dividends in respect of these shares have been waived. Further details are in notes 29 and 30 of the Financial Statements. On 18 May 2021 the ESOT, for which Sanne is the trustee, entered into an ESOT Share Purchase Plan (The Plan) to acquire ordinary shares of 5p in the capital of the Company. It is the Company's and the ESOT's intention that any ordinary shares acquired will be used to satisfy the awards made to employees of the Company or the Group. Purchases will be limited to a maximum of 50,000 shares or a maximum value of £40,000 each month and the Plan, unless renewed, will terminate.

Dividends

No dividends were paid during the year (FY22: nil).

Political Contributions

The Group and Company did not make any political donations or incur any political expenditure during the year (FY22: nil).

Qualifying Third Party Indemnity Provisions

The Company maintains appropriate insurance cover for all of its Directors and officers. Accordingly, qualifying third-party indemnity provisions, as defined by Section 234 of the Companies Act 2006, were in place during the financial year and remain in force at the date of this Report.

Directors' report

Employees

Our employees are vital to the success of the Group. The Group and its employees are committed to delivering a quality service which meets our own expectations, those of the FCA and those of our clients wherever possible.

Employees are kept informed and consulted regularly on key issues affecting them and the Group by the intranet and through regular communication between management and staff.

The Company policy is to give full and fair consideration to all disabled people who apply for employment and seeks to develop the skills and potential of disabled people, affords them access to training and promotion opportunities and, makes every effort to retain in suitable employment those staff who may become disabled whilst in the employment of the Group.

Annual General Meeting (AGM)

The resolutions being proposed at the AGM include usual resolutions dealing with the ordinary business of the AGM together with certain additional special business. A description of all the resolutions is set out within the Notice of AGM document.

Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

The auditors, RSM UK LLP have indicated their willingness to continue in office, and a resolution that they will be re-appointed will be proposed at the AGM.

Directors’ Biographies

Phillip Wale

Chief Executive Officer

Phillip began his career in UK Gilt Edged and convertible bonds, spending 10 years at Goldman Sachs in New York and then London, as co-head of pan-European equities. He managed the equity businesses at Commerzbank and then at Knight Securities, where he was appointed European CEO. In 2004 he moved into fund management as CIO of a multi-strategy hedge fund, returning to the sell-side in 2007 with Collins Stewart working closely with the expansion of the wealth management product. Phillip joined Seymour Pierce, the corporate and institutional broker and wealth manager, in 2010 and was appointed its CEO in 2011. Between 2012 and 2016 he was CEO of Panmure Gordon & Co. Prior to joining WH Ireland in August 2018, Phillip was Head of Fixed Income (Europe) at Cantor Fitzgerald Europe.

Simon Jackson

Chief Financial Officer

Simon was Finance Director of Saunderson House Limited from January 2019 until March 2021, prior to its acquisition by Rathbone Brothers Plc, having previously been Group Finance Director of Brooks Macdonald Group plc from November 2000 to April 2018. In both roles he helped implement both organic and inorganic growth strategies whilst building finance capabilities that are essential to meet the increasing requirements of a growing, regulated business in public markets. Simon’s time at Brooks Macdonald included its admission to trading on AIM in 2005; between 2005 and 2017, Brooks Macdonald grew its funds under management from £371m to £11.7bn. Simon qualified as a chartered accountant with Macintyre Hudson, and spent 10 years with Rutland Trust plc, in a variety of senior finance roles, prior to joining Brooks Macdonald.

Simon Lough

Chair

After graduating from Oxford University, Simon joined Kleinwort Benson in 1984, moving to work in their Tokyo office in 1986. In 1991, he joined Banca della Svizzera Italiana, working in Tokyo and then their London office. In 1996, Simon left investment banking, joining, and co-investing, in the forerunner of the Heartwood wealth management business. His managerial role initially entailed establishing a London office for the growing business. He subsequently headed both the client and investment teams, before becoming Chief Executive in November 2008. In May 2013, Heartwood became a wholly owned subsidiary of Handelsbanken and Simon continued as Chief Executive until July 2014 and subsequently left on the third anniversary of its acquisition.

From 2013-16, he was also a member of the FCA’s Smaller Business Practitioner Panel, nominated by the Wealth Management Association (now called PIMFA – Personal Investment Management & Financial Advice Association) to represent the wealth management sector.

Helen Sinclair

Non-Executive Director

Helen has a degree in Economics from Cambridge and an MBA from INSEAD business school. She began her career in investment banking and then moved into private equity investment at 3i. Helen is a highly experienced non-executive director having served on a number of audit, remuneration and investment committees. Prior to her focus on non-executive director roles, Helen co-founded and ran Matrix Private Equity (which became Mobeus Equity Partners LLP); a successful private equity firm, with a focus on SMEs. Helen has a 30-year track record as an investor, board member and board observer in a range of sectors, including early stage technology/digital media, retail and consumer and financial services with considerable expertise in alternative asset management.

Tom Wood

Non-Executive Director

Tom is a highly experienced CEO/CFO who has operated in senior leadership roles within Banking and Regulated Financial Services. Tom was Chief Restructuring and Financial Officer of the Co-operative Bank plc (2017-2019) having advised on its third recapitalisation. Prior to this Tom was CFO and Interim CEO of Shawbrook Group plc leading the IPO of the business in 2015.

More recently Tom has advised PE funds and investors in financial services in respect of M&A and transformational growth.

The Directors' report is approved by the Board on 26 September 2023 and signed on its behalf by:

S Jackson
Director

Corporate governance report

The Directors of the Company have always endeavoured to apply the appropriate and proportionate level of Corporate Governance and have done so by seeking to comply with the QCA Corporate Governance Code for Smaller Companies. On 8 March 2018, the London Stock Exchange issued revised rules for AIM-quoted companies, within which there is a requirement for AIM quoted companies to apply a recognised corporate governance code from September 2018 and incorporate details of how it complies with that Code in both its Annual Report and on its website.

The Company has chosen to apply the QCA Corporate Governance Code published in April 2018 (the "QCA Code") and this Corporate Governance report is based upon the QCA Code.

The principal means of communicating the Company's application of the QCA Code is the Company's most recent Annual report (pages 20 to 28), a copy of which can also be found in the Corporate Governance section of the Company's website (www.whirelandplc.com)

This statement has been collectively prepared by the Board of Directors of the Company (the "Board"). The Board refers to the QCA Corporate Governance Code as a useful guide to assist in articulating how the Company approaches and applies good corporate governance.

This report sets out the Company's application of the Code, by the Board, and where appropriate, cross references other sections of the Annual Report. Where the Company's practices depart from the expectations of the Code, the Board has given an explanation as to why.

The QCA Code is constructed around 10 broad principles and a set of disclosures which notes appropriate arrangements for growing companies and requires companies who have adopted the QCA Code to provide an explanation about how they are meeting those principles through the prescribed disclosures. In the table below, the Board explains how it has applied them.

QCA Code Principle:		How it should be applied:	How the Company applies it:
1	Establish a strategy and business model which promote long-term value for shareholders	The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.	Page 15 of the Company's Annual Report for the period ended 31 March 2023 sets out its principal strategy, which is to focus on continuing to grow the business across the two business divisions of Wealth Management and Capital Markets, with the ultimate objective of becoming the corporate broker of choice in the small and mid-cap company segment and a leading advice-driven wealth management service provider to retail clients. The risks that attach to this strategy and how such risks are mitigated are set out on page 13 of WHI's annual report for the period ended 31 March 2023.
2	Seek to understand and meet shareholder needs and expectations	Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base. The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.	The Board is committed to regular shareholder dialogue with both its institutional and retail shareholders. The principal opportunity for the Board to meet shareholders is at the Company's AGM, which shareholders are encouraged to attend. The Company also has a dedicated email address which investors can use to contact the Company (enquiries@whirelandplc.com). The CEO is responsible for reviewing all communications received from shareholders and determining the most appropriate response.

3.	Take into account wider stakeholder and social responsibilities and their implications for long-term success	Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations. Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model. Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.	The Company's assessment of its key resources and relationships is set out on page 13 of WHI's annual report for the period ended 31 March 2023. The Directors believe that, in addition to its shareholders, the main stakeholders of the Company are its clients, its employees, the communities in which it operates and its two regulatory bodies (the London Stock Exchange and the FCA). The Company dedicates significant time to understanding and acting on the needs and requirements of each of these Groups by way of meetings dedicated to obtained feedback. The Company is also a member of certain organisations, such as the Quoted Companies Alliance, which encourages and facilitates active dialogue with some of the Company's key stakeholders. Linked to this, the Company endeavours to build relationships with those local communities in which it operates and some of those initiatives it has invested in, in recent years, are set out in the Company's CSR section of its website. At the same time the Company is endeavouring to adopt an Environmental, Social and Governance (ESG) framework incorporating objectives to minimise the Company's environmental impact; to engage staff and suppliers and to build on the CSR initiatives the Company is already working on to more broadly support the communities in which we operate.
4.	Embed effective risk management, considering both opportunities and threats, throughout the organisation	The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer. Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).	Page 13 of the Company's Annual Report for the period ended 31 March 2023 sets out the risks to the Company's business and outlook, and how such risks are minimised. Given the areas in which the Company operates, risk is a particular focus. The Company employs a Head of Compliance and Risk, which is a full-time position within the Company and who is tasked with risk identification, assessment, management and the measurement of risk and threats to the business. These risks are recorded within the Company's risk register and cover all categories including human capital risk, regulatory risk, conduct (client) risk, competition, financial risk, IT and operational resilience risk and legal risk. Each risk is ranked on impact and likelihood and mitigating strategies are identified. In addition, the Executive Committee, which is formed of the Executive Directors, the Heads of the business divisions, a representative from HR and the Head of

			Compliance and Risk meet to assess and monitor these risks; and discuss any new emerging risks arising in the day to day business. The risk register and minutes from the Executive Committee are reviewed in Board meetings. The Directors receive progress reports from the Head of Compliance and Risk directly, to enable them to assess the effectiveness of the systems in place. These risks and systems are also tested by the Company's external auditors on an annual basis.
5.	Maintain the board as a well-functioning, balanced team led by the Chair	The board members have a collective responsibility and legal obligation to promote the interests of the company and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board. The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight. The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non- executive directors. Independence is a board judgement. The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively. Directors must commit the time necessary to fulfil their roles.	All strategic decisions are decided by the Board acting collectively. The Board consists of three Non-Executive Directors and two Executive Directors. It is considered that Simon Lough, Helen Sinclair and Tom Wood are independent Non-Executive Directors. All Executive Directors are full time Directors of the Company, and the Non-Executive Directors are expected to commit at least one day a month to the Company in addition to their attendance at board meetings. The Board meets 11 times a year; the Audit Committee and Risk Committee meet five times a year and the Remuneration Committee meets at least twice a year (and also as required). All meetings during the period under review were fully attended, with the exception of: - 25th July 2022 Audit Committee where Helen Sinclair sent her apologies; - 24th August 2022 Board where Simon Jackson sent his apologies; Board minutes and related papers are circulated to Directors in good time ahead of the relevant Board meeting(s). The Board has established audit, remuneration, risk, nomination and executive committees which meet regularly in accordance with their terms of reference. The details of these committees, including their terms of reference and composition, are set out below, in this Corporate Governance Report.
6	Ensure that between them the directors have the necessary up-to-date experience,	The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.	The Company has five Directors being Phillip Wale, Simon Jackson, Simon Lough, Helen Sinclair and Tom Wood. Details of these Directors and their relevant experience, skills and personal qualities are set out at pages 18 to 19 of the Company's Annual Report for the period ended 31 March 2023.

	skills and capabilities	The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board. As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.	The Company periodically holds briefings for the Directors covering regulations that are relevant to their role as Directors of an AIM-quoted company. The Company also has dedicated Human Resources and Compliance departments and also uses the services of a number of external training providers. The Directors therefore have access to certain in-house seminars and external training courses to assist the Directors in keeping their skills are kept up to date. The Board is supported by Katy Mitchell as Company Secretary and Head of Legal. Katy is a qualified corporate lawyer, a chartered company secretary of the Corporate Governance Institute and a senior Qualified Executive within the Capital Markets department of the Group. The Board also engages external legal advisers to advise them, where appropriate and necessary on the legal aspects of any ongoing regulatory queries.
7.	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors. The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team. It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.	Evaluation of the performance of the Company's Board has historically been implemented in an informal manner, with the exception of the Executive Directors who are assessed annually on performance by the Chair. At this stage a formalised process has not been adopted. It is intended that the process will be formalised in due course, and details of the process and its results and recommendations will be published at a future date. The Nomination Committee is required to give recommendations to the Directors where there are vacancies or where it is felt that additional Directors should be appointed. For new appointments the search for candidates is conducted, and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

8.	Promote a corporate culture that is based on ethical values and behaviours	The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage. The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company. The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company. The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.	The Company's CSR section of the website sets out the Company's approach to corporate responsibility, the Group's people, its social impact and the impact upon the environment in which it operates. The Board seeks to ensure that all of its employees are aware of the Company's ethical values which embody seven core values. These are covered in the mandatory induction process for new employees and each employee is also assessed on their adherence to these values in their annual appraisal which influences promotion and reward.

9.	Maintain governance structures and processes that are fit for purpose and support good decision-making by the board	The company should maintain governance structures and processes in line with its corporate culture and appropriate to its: • size and complexity; and • capacity, appetite and tolerance for risk. The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.	The Board has established Audit, Remuneration, Risk, Nomination and Executive Committees which meet regularly in accordance with their terms of reference. The details of these committees, including their terms of reference and composition, are set out in this Corporate Governance section. This detail also includes the roles and responsibilities of each of the Directors, with all the Non-Executive Directors sitting on each of the sub-committees of the Board. The matters reserved for the Board, are set out in the Board Terms of Reference, and can be summarised as follows: - Reviewing, approving and guiding corporate strategy, major plans of action, risk appetite and policies, annual budgets and business plans; setting performance objectives; monitoring, implementation and corporate performance; and overseeing major capital expenditures, acquisitions and disposals. - Monitoring the effectiveness of the Company's governance arrangements and practices, making changes as needed to ensure the alignment of the Company's governance framework with current best practices. - Ensuring that appointments to the Board or its Committees are affected in accordance with the appropriate governance process. - Monitoring and managing potential conflicts of interest of management, Board members, shareholders, external advisors and other service providers, including related party transactions; and overseeing the process of disclosure and communications. - The Board is also responsible for all other matters of such importance as to be of significance to the Group as a whole because of their strategic, financial or reputational implications or consequences. At this stage the Board believes that the governance framework is appropriate for a Company of its size, but it continues to keep this under review.

10	Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	A healthy dialogue should exist between the board and all its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company. Appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist: • the communication of shareholders' views to the board; and • the shareholders' understanding of the unique circumstances and constraints faced by the company. It should be clear where these communication practices are described (annual report or website).	The Company is committed to open dialogue with all its stakeholders. The CEO liaises with the Company's principal shareholders, regulators and, where appropriate, clients and relays their views to the wider Board. On the Company's website shareholders can find all historical regulatory announcements, Interim Reports and Annual Reports. Annual Reports and Annual General Meeting Circulars are posted directly to all registered shareholders or nominees and results of Annual General Meeting votes are also published on the Company's website. As described earlier, the Company also maintains email and phone contacts which shareholders can use to make enquiries or requests. Following the Company's AGM the results of all votes will be made available on the website.

The Board and its Committees

At the date of this report the Group Board consists of two Executive and three Non-Executive Directors. The Board is responsible for the overall direction and strategy of the Group and meets regularly throughout the year. Under the Company's Articles of Association at every AGM, any Directors:

- who have been appointed by the Directors since the last AGM; or
- who were not appointed or reappointed at one of the preceding two AGMs,
- must retire from office and may offer themselves for reappointment by the members.

The Board has formally established several committees and agreed their terms of reference, as follows:

Remuneration Committee
The principal function is to determine the policy on Executive appointments and remuneration. The committee consists of all the Non-Executive Directors with Simon Lough as Chair. It is the aim of the committee to attract, retain and motivate high calibre individuals with a competitive remuneration package.

Remuneration for Executives normally comprises basic salary, bonus, benefits in kind and options. Details of the current Directors' remuneration are given in the Remuneration Report (page 36).

Other Executive Directors and Risk Committee members may be invited to attend the meetings and the committee has access to advice from the Head of HR.

Audit Committee
The committee is made up of all the Non-Executive Directors with Tom Wood as Chair. It is responsible for reviewing the Company's arrangements with its external and internal auditors, including the cost effectiveness of the audit and the independence and objectivity of the auditors. It also reviews the application and appropriateness of the Company's accounting policies, including any changes to financial reporting requirements brought about by both external and internal requirements and it considers all major financial announcements made by the Company including its interim and preliminary announcements and annual report and accounts.

The external auditors, internal auditors and other Executive Directors may be invited to attend the meetings.

Risk Committee
The committee is made up of all the Non-Executive Directors with Helen Sinclair as Chair. It is responsible for advising the Board on risk appetite, tolerance and strategy, taking into account the current and prospective regulatory and market environment.

The Committee maintains a constant review of both the Group's overall risk assessment processes and the effectiveness of the Group's internal controls and risk management systems. It advises the Board on proposed strategic transactions that may impact the risk profile of the Group.

The Head of Compliance and Risk and the Executive Directors may be invited to attend the meetings.

Nomination Committee
The committee consists of all the Non-Executive Directors with Simon Lough as Chair. It is the aim of the committee to identify and nominate potential candidates to fill Board vacancies; to consider succession planning and to consider appropriate training for the Board.

Executive Committee
The committee is made up of the senior management of the Group and is chaired by the CEO. The committee is responsible for oversight of all delegated functions by the Board and the day-to-day operational business. In addition, it is responsible for ensuring the strategy of the Board is implemented and any issues that need to be communicated to the Board are recorded as such. The committee is also responsible for ensuring timely identification and resolution of regulatory and compliance issues, ensuring senior management are aware of significant regulatory matters and to act as a forum to update the Chief Risk and Compliance Officer about organisational change and new business.

Internal control

The Board has overall responsibility for the framework of internal control established by the Group and places critical importance on maintaining a strong control environment. This framework of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Detailed internal control procedures exist throughout the Group's operations and compliance is monitored by management and through the Group's Compliance Department, Internal Audit and the Executive Committees of both business divisions.

By order of the Board.

Katy Mitchell
Company Secretary
September 2023

Corporate social responsbility

We consider it essential that all employees within our business are accountable for their actions and have a Corporate Social Responsibility (CSR) policy that applies throughout the WH Ireland Group. CSR refers to a company's sense of responsibility towards the community and environment in which it operates. It is the process of assessing a company's impact on society and evaluating its responsibilities. We are committed to carrying out our operations in a socially responsible manner when dealing with all stakeholders and to reporting and communicating openly on its response to CSR issues. Our Policy sets out our responsibilities to, our people, our community and our environment.

1. People

WH Ireland recognises that people are key to our success in delivering on our commitments to our clients. Our recruitment strategy is therefore pivotal in attracting and retaining high-quality talent to contribute to our long-term success as an organisation. The job market is becoming progressively more competitive and skill sets continue to grow more diverse. The recruitment process supplies our business a pool of potential candidates from which thoughtful selection is made to fill positions.

Communicating with our People

Keeping our people up-to-date with the latest company developments is of the upmost importance, and we frequently publish, by email, our internal staff communication 'WH Informed', as well as engaging with our staff via:

- Regular town hall meetings
- Morning investment meetings and capital markets calls
- Strategy days and initiatives
- Yearly staff pulse surveys

Employee Engagement Survey

We introduced an annual Employee Engagement Survey in 2021. The aim of this is to keep us focussed on delivering on our promises to clients and shareholders, and keeping our people inspired to do their best work at WH Ireland. We ran the second engagement survey over the summer of 2022 and there was a 10% increase in the response rate, which was extremely positive to see.

Highlights

We were delighted with the response to our second engagement survey with some very positive headline figures.

The survey has also provided us with opportunities and ideas to work more collaboratively across the WM and CM divisions, with the two divisions aligning more.

The survey highlighted the importance of continuing to evolve our communication within the Company and teams. Staff feel a strong positive pull towards local teams and support for line managers. Continued flexibility surrounding work life balance and a stronger focus on wellbeing in 2022 was evidenced by the results.

Top verbatim comment themes included 'work life balance', 'great employees', 'collegiate and entrepreneurial' and 'client relationships'.

80%
Happy at work

66%
Trust senior management

82%
Job satisfaction

83%
Participation

Corporate social responsbility

Areas for Improvement
Areas of improvement were clearly articulated from across the organisation and have provided us with the priorities in which we have focused our efforts.

Similar to last year, we recognised that there was work to be done on our employee proposition as this is ever evolving and a key area of focus, and in response we have enhanced annual leave entitlements for all staff as well as increasing certified sick pay.

We also continued to make enhancements to our performance management processes so that regular communication is encouraged, as this was also raised in the engagement survey. The training budget was further increased meaning that we were able to address more training needs across the Company and run more in-house courses, depending on what development needs arose throughout the course of the year.

We believe that the involvement of our people at all levels as a vital ingredient to our success and to making WH Ireland a great place to work.

Diversity and inclusion

The policies and practices of WH Ireland aim to promote an environment that is free from all forms of discrimination and we believe that a diverse and inclusive culture is vital to business success. We are seeking to broaden the talent pool as skill needs change and competition for key people increases. A crucial part of this is increasing our appeal to groups less well-represented in our workforce and to use social mobility charities as a means to help us achieve this, for example especially in relation to graduate hires. To this end, the company intends to select the best available person for every vacancy, regardless of sex, race, colour, religion, ethnic origin, age, disability or sexual orientation.

Employee wellbeing

WH Ireland is a people business and as our most important asset, we are committed to providing our employees with a working environment that allows them to undertake their employment to the best of their abilities, and in turn to provide the best outcomes for our clients. We have a strong commitment to the health and wellbeing of all our employees and actively promote the health and wellness of our people through education and initiatives that:

- Encourage habits of wellness
- Increase awareness of factors and resources contributing to wellbeing
- Inspire and empower individuals to take responsibility for their own health
- Support a sense of community

We also operate an Employee Assistance program with Zurich, who offer advice and access to mental health treatment. Calls are answered by a trained counsellor, and they also offer up to eight face to face/phone/online counselling sessions per issue.

Hybrid working

We offer all of our staff a hybrid working pattern of 60% time in the office, with 40% optional home time on a weekly basis and we continue to review and change our ways of working to ensure that both our business and our people thrive in the post-pandemic world.

Our employee's perspective...

From Danielle Tetteh, Graduate Trainee in Wealth Management

Piquing my interest

My interest in finance was solidified after I completed a summer internship at Investec. I quickly became eager to start my career in finance and to begin building interpersonal relationships. After being offered three different roles within finance, I favoured WH Ireland because of the enthusiasm I felt from the team. Alongside the opportunity to explore different aspects of wealth management allowing me to become a well–rounded employee, the open culture of being able to communicate with everyone including senior leadership helped me decide I could thrive and start my career at WH Ireland.

Launching my career at WH Ireland

After applying, I was thrilled with the opportunity to interview. I really enjoyed the interview process as I felt WH Ireland was interested in me as a person and considered all of my experience to be important and transferable.

After working here for a few months, I am confident I made the right decision by joining. I have been given countless opportunities to progress in my career, and so far, there hasn't been a day in which I haven't learned something valuable or been left with a question unanswered. My colleagues and supervisors continuously encourage me to take advantage of any opportunity that comes across my desk, whilst encouraging and supporting me in my studies of my Chartered Institute for Securities and Investment (CISI) Level 4 qualification.

Key takeaways

I find the inclusion at WH Ireland has been a key driver in my day-to-day enjoyment of work, whether that is during meetings, or being granted the ability to make decisions regarding my own ideas and professional opinions. Having the autonomy to take full ownership of my work has allowed me the opportunity to keep good client outcomes at the forefront on my decisions while building my work ethic.

Recognition of our People

The firm aims to attract, retain and motivate employees for contributing to our success by providing consistent remuneration approach based on fixed salary and discretionary bonuses that are aligned to the performance of the business and its employees. The Company also offers all employees the opportunities to participate in its comprehensive benefits programme. This package and the providers will vary from time to time but primarily comprises of:

- Employee Health
    - Private Medical Insurance
    - Medicash
    - Eye Tests
- Employee Protection
    - Life Assurance
    - Income Protection
- Employee Financials
    - Contributory Pension Scheme under the auto-enrolment legislation
    - Sharesave scheme
- Employee Wellbeing
    - Holiday Entitlement
    - Employee Assistance Programme
    - Ride To Work
    - Season Ticket Loan
    - Gym Membership subsidy
    - Discounts on products and services via the Chartered Institute for Securities & Investments (CISI)

Corporate social responsbility

2. Community

We are proud to support a number of initiatives across the country. At WH Ireland, we want to forge partnerships with organisations that share our beliefs and it is important that we play our part in the communities in which we live and work. We also look to support initiatives internationally that affect issues which are important to us.

Charitable Donations

Cheetah Conservation Fund UK

We were delighted to partner with Cheetah Conservation Fund UK (CCF UK) again in 2022. CCF UK's mission is to raise awareness and funds to secure a future in the wild for Africa's most endangered big cat. WH Ireland's support – via donations and employee engagement – goes directly towards their vital work in Namibia and other cheetah range countries. Our efforts helped fund projects that aim to combat the illegal wildlife trade, which is pushing cheetahs towards local extinction in the Horn of Africa.

(more:trees)

We are committed to taking climate action and improving our planet for generations to come, which is why we plant a new tree for every new investment account opened. These are planted by our tree-planting partner, (more:trees), who operate projects in Madagascar, Kenya, and Haiti. During the reporting period, we planted 336 trees, which will produce an estimated future CO2 sequestration of 60.8 tonnes. These trees also help support poverty alleviation, life on land and below water, health and wellbeing, and more.

Supporting our colleagues and local communities

Over the year, we supported a number of events that our employees participated in, namely the JP Morgan Corporate Challenge and the Standard Chartered Great City Race, with proceeds going to their chosen charities. We also sponsored the Henley Youth Festival, which celebrates the talents and achievements of the young people in the area, supporting and promoting performing and visual arts as well as team and individual sports events, which local young people might have not otherwise encountered.

3. Environment

Carbon Report

At all levels of the business we strive to broaden our knowledge and expertise on how we can refine our operations to minimise our environmental footprint and actively provide value where possible. As a member of the local community in our offices across the UK we see it as our responsibility to contribute towards a more sustainable future. In the pursuit of this goal, we endeavour to create a safer and more sustainable working environment to inspire our employees, clients and local communities.

During FY23, due to the success of our hybrid working model we have been able to downsize our office square footage. This move has been in line with our active effort to consume less as an organisation, supporting the transition to a low-carbon economy. On our path to carbon neutrality, we have emphasised providing easy access to recycling points within our offices.

In line with the Streamlined Energy and Carbon Reporting legislation, it is our duty as a company to report our Scope 1 and Scope 2 emissions. Scope 1 refers to emissions from activities owned or controlled by a company that directly release emissions such as gas heating, whereas Scope 2 includes the indirect emissions from the generation of purchased electricity. As a quoted company, it is not mandatory for WH Ireland to disclose Scope 3 emissions. These include emissions that the company does not have direct control over but has some influence over, such as supply chain emissions and employee transportation. WH Ireland has chosen not to disclose this information.

	Year to 31-Mar-23		Year to 31-Mar-22	
Energy and emissions	GHG emissions tCO2e	Energy consumption kWh	GHG emissions tCO2e	Energy consumption kWh
Fuel consumption	-	-	-	-
Scope 1 total	-	-	-	-
Electricity consumption	-	370,272	-	402,724
Scope 2 total	-	370,272	-	402,724
Fuel consumption of employee vehicles	-	-	-	-
Scope 3 total	-	-	-	-
Gross total	-	370,272	-	402,724
Intensity - kWh/sq. ft	-	18.8	-	18.6

Our sustainability efforts this year have been reflected in the figures above. In the year April 2022 to March 2023, we have achieved a 7% year-on-year decline in total electricity usage across our offices throughout the UK. This highlights the efficacy of the measures put in place, as each year we put a greater emphasis on sustainability. The energy intensity figure captures the total kWh per square foot over the course of the year, eradicating any changes from office space reductions. While our energy intensity measure has stagnated year-on-year, given our push for employees to return to the office more frequently, we take confidence in the effectiveness of our environmental measures. We expect to see this figure decline over the next 12 months as office capacity remains constant.

Assumptions

Energy usage is listed in kilowatt-hours and has been taken from manual meter readings listed on supplier invoices where possible. The landlord for our Henley office was unable to provide electricity consumption data, as our electricity costs are built into our lease agreement. This figure was based on the kilowatt-hour per square foot of our Poole office, which is only 50sq ft less in size (1050 sq ft in total), and then estimated on a pro-rata basis to reflect the headcount of the Henley office.

Corporate social responsbility

Investing responsibly

We believe Environmental, Social, and Governance (ESG) integration and engagement is paramount in today's investment industry and as such we incorporate both qualitative and quantitative measures across all investments utilised within WH Ireland client mandates.

As a responsible investor WH Ireland recognises its duty to act in the best long-term interests of our clients which clearly includes the preservation of our planet. Where consistent with our responsibilities to clients we are committed to incorporating ESG issues into our investment practice and to the UN's Six Principles for Responsible Investment.

We believe that well managed companies are more likely to deliver shareholder value over the longer-term. In our view this means that they will have effective corporate governance in place and we expect boards to have effective structures and controls in place to ensure that they do not engage in any activities which are unethical, socially irresponsible or illegal.

This would, for instance, include activities which cause significant long-term harm to the environment or carrying out business which results in human rights violations or the exploitation of workers.

It should be noted that in most quoted companies an active ESG policy exists.

Where investments are made by third party fund managers in pooled funds or similar vehicles, our requirement is that wherever practicable, the funds in question should seek to avoid direct investment in companies that fall within the exclusions in its ESG policy. We do, however, recognise that where investments are made in index-related securities, it is not practicable to pursue an investment strategy where an indirect investment in such companies coincidentally arises.

We would not ordinarily preclude investment in companies which operate in the alcohol, tobacco or armaments sectors unless this is a specific restriction imposed by a client.

United Nations Six Principles for Responsible Investment:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will each report on our activities and progress towards implementing the Principles.

Implementing the Principles

We invest directly in companies and corporate securities and via collective funds. Our research team and investment managers conduct research, analysis and due diligence before investing on behalf of clients. Before we invest one of our considerations is how investee companies and collective fund managers have incorporated ESG into their own businesses and investment processes.

UK Stewardship Code, FRC

The Stewardship Code seeks to promote the long-term success of companies in such a way that the ultimate shareholders also prosper too. Effective stewardship has many benefits, both for companies and their investors as well as the overall economy.

WH Ireland abides by the principles of the Stewardship Code to safeguard the investment value of our clients.

As a responsible shareholder we take an active interest in the companies in which we invest and if we had any significant concerns, we would initially raise them with the company. In the event that we did not receive a satisfactory response we reserve the right to vote against the reappointment of the Directors.

We would, in some instances, consider the sale of shares in any offending company as they are unlikely to be a good long-term investment if they are deemed to be trading in a socially irresponsible manner.

Remuneration report

The Directors present the Directors' Remuneration Report (the "Remuneration Report") for the financial year ended 31 March 2023.

Composition and Role of the Remuneration Committee

As detailed within the Corporate Governance report, the Board has established a Remuneration Committee which currently consists of all the Non-Executive Directors, chaired by Simon Lough.

The committee determines and agrees with the Board the framework and policy of Executive remuneration and the associated costs to the Group and is responsible for the implementation of that policy. The committee determines the specific remuneration packages for each of the Executive Directors and no Director or Senior Executive is involved in any decisions regarding their own remuneration. The committee has access to information and advice provided by the CEO and the CFO and has access to independent advice where it considers it appropriate.

This report explains how the Group has applied its policy on remuneration paid to Executive Directors.

Framework and Policy on Executive Directors' Remuneration

The Group's remuneration policy is designed to provide competitive rewards for its Executive Directors and other Senior Executives, considering the performance of the Group and the individual Executives, together with comparisons to pay conditions throughout the markets in which the Group operates. It is the aim of the committee to attract, retain and motivate high calibre individuals with a competitive remuneration package. It is common practice in the industry for total remuneration to be significantly influenced by bonuses.

The remuneration packages are constructed to provide a balance between fixed and variable rewards. Therefore, remuneration packages for Executive Directors and Senior Executives normally include basic salary, bonuses, benefits in kind and options. In agreeing the level of basic salaries and annual bonuses the committee takes into consideration the total remuneration that Executives could receive.

Basic Salary

Basic salaries are reviewed on an annual basis or following a significant change in responsibilities. The committee seeks to establish a basic salary for each Executive determined by individual responsibilities and performance, considering comparable salaries for similar positions in companies of a similar size in the same market.

Incentive Arrangements

Bonuses

These are designed to reflect the Group's performance, considering the performance of its peers, the market in which the Group operates and the Executive's contribution to that performance.

Performance related contractual incentive scheme

These are designed to reward performance by employees across the Group.

Share options

The Group has six different share ownership plans for employees; CSOP, SAYE, JOE scheme, the 2020 EMI option scheme and an unapproved share option scheme. In addition, to facilitate some of the option exercises, the Company has an ESOT.

ESOT

The WH Ireland Group plc Employee Share Ownership Trust (ESOT) was established on 19 October 2011, for the purpose of holding and distributing shares in the Company for the benefit of employees. All costs of the ESOT are borne by Group Companies. 3,117,418 shares (FY22: 2,839,500) are held by Apex Group Fiduciary Services Limited as trustee of the ESOT at the date of this report.

CSOP

Under the terms of the Company Share Option plan, options over the Company's shares may be granted on a discretionary basis to employees of the Group (including Directors) at a price which is not less than the market value of the shares at the date of grant. Performance conditions may be imposed at the discretion of the Board.

In the event of an option holder ceasing to be an employee of the Group, options granted under the CSOP shall lapse (a) on the first anniversary of an option holder's death, (b) on the expiry of six months from the date on which an option holder ceases to be an employee of the Group due to injury, disability, retirement or redundancy or (c) immediately on an option holder ceasing to be an employee of the Group for any reason other than those referred to in (a) and (b), unless, and to the extent, the Board exercises its discretion to allow the options to be exercised for a period after the option holder ceases to be an employee of the Group.

SAYE
Under the terms of the Save As You Earn (SAYE) scheme, employees of the Group (including Directors) may be invited to apply for an option to be granted to them at a price of 90% of the market value of the shares at the date of grant. Employees enter into a savings contract under which they agree to save a certain amount of salary each month for a specified period, typically three years, with a view to using those savings to buy shares under the terms of the option.

In the event of an employee leaving before the end of the three year contract because of redundancy, injury, disability or retirement, the employee will be able to continue saving privately and buy a reduced number of shares (in line with the amount saved) within six months of leaving using the savings accrued. If the employee leaves before the end of the three years due to resignation, dismissal on grounds of misconduct or not returning after maternity leave, they would not be able to buy any shares and would have their funds returned to them. In the event of death prior to the scheme maturing, the deceased's personal representative(s) would be able to buy a reduced number of shares within 12 months of the death. A SAYE scheme was introduced in the financial year and is due to run for three years.

Unapproved Share Option Scheme
Under the terms of the unapproved share option scheme, options over the Company's shares may be granted on a discretionary basis to employees and consultants of the Group (including Directors) at a price to be agreed between the Company and the relevant option holder. Under the terms of the options granted, such options vest on the third anniversary of the award dates; are exercisable at the market price at the time the option was issued and are exercisable for 10 years after the vesting date.

JOE Scheme
Under the terms of the Joint Share Option Plan, each option holder holds shares jointly with the ESOT. These shares vest subject to the satisfaction of certain performance criteria agreed between the Company, the ESOT, and the option holder.

2020 EMI Option scheme
During 2020 an Enterprise Management Incentive (EMI) share option scheme was designed and registered with HMRC as an approved EMI scheme. EMI options are a tax efficient way of granting options to employees. The value of options granted is by reference to the current market value (CMV) of the Company's share price at the date of grant and the maximum aggregate value of granted but un-exercised options outstanding at any one time is £3.0m with an individual maximum allowance at any one time to an employee of £250,000.

Other Employee Benefits

Depending on the terms of their contract certain Executive Directors and Senior Executives are entitled to a range of benefits, including contributions to individual personal pension plans, private medical insurance and life assurance.

Service Contracts and Notice Periods

The Executive Directors are employed on rolling contracts subject to six months' notice from either the Executive or the Group, given at any time. Under certain change in control circumstances the notice period can be subject to extension to 12 months. The service contracts of the current Executive Directors are available for inspection by any person via the Human Resources department at the Group's administrative office during normal office hours on any day except weekends and bank holidays and at the AGM from 9am on the day of the Meeting until the conclusion of the Meeting.

Contracts of employment for Senior Executives are all on a rolling basis subject to notice periods ranging from three to 12 months with certain additional provisions triggered in the event of changes in control of the Company.

Service contracts do not provide explicitly for termination payments or damages, but the Group may make payments in lieu of notice. For this purpose, pay in lieu of notice would consist of basic salary and other relevant emoluments for the relevant notice period excluding any bonus.

External Appointments undertaken by Executive Directors

In the committee's opinion, experience of other companies' practices and challenges is valuable for the personal development of the Group's Executive Directors and for the Company. It is therefore the Group's policy to allow Executive Directors to accept Non-Executive Directorships at other companies, provided the time commitment does not interfere with the Executive Directors' responsibilities within the Group. Fees are retained by the individual Executive Director.

Non-Executive Directors

All Non-Executive Directors have a letter of appointment for an initial period of 12 months and thereafter on a rolling basis subject to three months' notice by either the Non-Executive Director or the Group, given at any time.

In the event of termination of their appointment they are not entitled to any compensation. The terms and conditions of appointment of Non-Executive Directors are available for inspection by any person via the Human Resources department at the Group's administrative office during normal working hours on any day except weekends or bank holidays and at the AGM from 9am on the day of the Meeting until the conclusion of the Meeting.

Non-Executive Directors' fees are determined by the Executive Directors having regard to the need to attract high calibre individuals with the right experience, the time and responsibilities entailed and comparative fees paid in the market in which the Group operates. They are not eligible for pensions.

Directors' Emoluments

The remuneration of each Director as listed on page 88, Company Information, excluding share options and awards, during the year ended 31 March 2023 is set out in the table below:

	Salary	Benefits	Bonus	Total year ended 31 Mar 2023	Total year ended 31 Mar 2022	Pension contribution year ended 31 Mar 2023	Pension contribution year ended 31 Mar 2022
Executive							
P Wale*	350,000	20,868	100,000	470,868	468,324	35,000	33,333
S Jackson	253,000	300	-	253,300	30,188	-	-
P Tansey[1]	-	-	-	-	432,405	-	7,500
S Ford[2]	-	-	-	-	388,776	-	-
Non-Executive							
S Lough	86,990	-	-	86,990	47,500	-	-
H Sinclair	47,500	-	-	47,500	39,449	-	-
T Wood	47,500	-	-	47,500	25,201	-	-
PJ Shelley[3]	31,538	-	-	31,538	100,000	-	-
A Buchanan[4]	-	-	-	-	19,792	-	-
V Raffé[5]	-	-	-	-	17,661	-	-
Total	816,528	21,168	100,000	937,696	1,569,296	35,000	40,833

Notes:
[1] Resigned 31 December 2021
[2] Resigned 31 January 2022
[3] Resigned 25 April 2022
[4] Resigned 30 September 2021
[5] Resigned 12 August 2021

* Bonus payment relating to the year ended 31 March 2022

The highest paid Director for 2023 was P Wale receiving emoluments of £470,868 (FY22: P Wale £468,325).

Directors' Interests in Share Options

Director	Unapproved Options	EMI Options	Total at 31 March 2023	Total at 31 March 2022
P Wale	500,000	350,000	850,000	850,000
S Jackson	-	208,333	208,333	-

At 31 March 2023 the market price of the Company's shares was 19.0p (FY22 45.0p).

The highest daily closing price during the year was 45.0p (FY22 58.5p) and the lowest daily closing price was 19.0p (FY22 45.0p).

Statement of Directors’ responsibilities

In respect of the Directors’ report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors’ Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare group and company financial statements for each financial year. The Directors have elected under company law and are required by the AIM Rules of the London Stock Exchange to prepare the group financial statements in accordance with UK-adopted International Accounting Standards and have elected under company law to prepare the company financial statements in accordance with UK-adopted International Accounting Standards and applicable law.

The Group and Company financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position of the Group and the Company and the financial performance of the Group and the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 the Company and of the profit or loss of the Group for that period.

In preparing each of the Group and Company financial statements, the Directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether they have been prepared in accordance with UK-adopted International Accounting Standards;

d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group’s and the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the requirements of 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's report to the Members of WH Ireland Group plc

Opinion

We have audited the financial statements of W.H. Ireland Group Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of cash flows, the consolidated and company 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 UK-adopted International Accounting Standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006

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 March 2023 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards and as applied in accordance with the Companies Act 2006; and
- the financial statements 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 as applied to listed entities 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.

Summary of our audit approach

Key audit matters	Group Goodwill and intangible assets impairment Going Concern
Materiality	Group • Overall materiality: £109,000 (2022: £158,000) • Performance materiality: £81,700 (2022: £118,500). Parent Company • Overall materiality: £92,000 (2022: £157,500) • Performance materiality: £69,000 (2022 : £118,000)
Scope	Our audit procedures covered 100% of revenue, 100% of total assets and 100% of profit before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters in relation to the parent company financial statements to communicate in our report.

Goodwill and intangible assets impairment	
Key audit matter description	• The Directors have set out in the Accounting Policies on pages 53 - 58 the policy adopted in relation to the recognition of goodwill and intangible assets and the policy in relation to impairment of such assets. The key judgements in relation to these policies are set out on page 59. These assets relate to acquisitions in the prior accounting period. • Goodwill of £3,539,000 and separately identifiable intangible asset of £4,225,000 arose on the acquisition of Harpsden Wealth Management in December 2020. Management is required by IAS36 "Impairment of Assets" to perform an annual impairment review for cash generating units to which goodwill has been allocated. The test for impairment compares the carrying value of the cash generating units to which the goodwill and other intangible assets are allocated to their recoverable amount – being the higher of fair value less any costs to sell or their value in use. The "headroom" in the impairments assessment is sensitive to changes in the assumptions used (as set out in note 14) and as such we consider this a key audit matter.
How the matter was addressed in the audit	Our work in relation to this matter included:- • Consideration of management's assessment of the allocation of goodwill and intangible assets to a cash generating unit. • Testing the value in use calculations for mathematical accuracy and consistency with the requirements of IAS 36. • Assess the period of time for which management has prepared forecasts, and the long term growth rates used. • Challenge management on the Key assumptions used in their forecast models, including revenue, and material fixed and variable cash outflows. • Work with our internal valuation specialists to determine the appropriateness of the value in use calculation and the accuracy and appropriateness of discount rates used. • Evaluate the sensitivity analysis prepared by management. • Consider the qualifications, credentials and independence of experts used by management to assist them in preparing their assessment. • Assessing the completeness and accuracy of disclosures in the financial statements..

Going concern	
Key audit matter description	The economic conditions of recent years have resulted in far greater focus by both directors, and auditors, on the appropriateness of the going concern assumption used in the preparation of the financial statements. Management are required to consider if there are material uncertainties that may cast significant doubt on the ability of the business to continue as a going concern. If such uncertainties exist these are required to be disclosed. Going concern projections can be subject to uncertainties which should be disclosed. The group has disclosed details of its review of Going Concern in note 1. The group incurred significant trading losses in the year to 31 March 2023, and the economic outlook remains uncertain and as such we consider this to be a key audit matter
How the matter was addressed in the audit	Our work in relation to this matter included:- • Obtaining and reviewing the group's assessment in relation to future trading activity and associated cash flows, including a review of the underlying forecasts and assumptions. • Checking the mathematical accuracy of the cash flow forecast. • Reviewing the forecasts in the light of our understanding of the business and challenge the key assumptions therein. • Considering the impact of management's sensitivities on the forecast cashflows including downside scenarios. • Adjusting the cashflows for our own sensitivities to consider potential uncertainties within management's forecasts. • Verifying the receipt of the proceeds of the post year end issue of shares. • Reviewing of the disclosures within the financial statements to assess whether they accurately reflect management's assessment of going concern, including any uncertainties. • Obtaining written representation from those charged with governance about the plans for the future including their feasibility. A key observation in relation to our evaluation of the director's assessment is that the ability of the company to continue as a going concern is dependent upon the success of management's current cost reduction plans in certain downside scenarios, and the impact of these on future income generation.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	**Parent company**
Overall materiality	£109,000 (2022 : £158,000)	£92,000 (2022 : £157,500)
Basis for determining overall materiality	5% of Adjusted EBITDA	0.4 %of Adjusted Net Assets

Rationale for benchmark applied	EBITDA has been used as it is deemed it to be the most relevant measure of the underlying profitability of the group	Net Assets has been used as it is deemed it to be the most relevant measure of the underlying value of the company
Performance materiality	£81,750 (2021: £118,500)	£69,000 (2021: £118,000)
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £5,450 limit and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £4,600 limit and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of 11 components, all of which are based in the UK, 8 of which are dormant companies and do not contribute to group trading results or assets.

The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Profit before tax
Full scope audit	3	100%	100%	100%
Total	3	**100%**	**100%**	**100%**

No audit work was undertaken by component auditors.

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. For an explanation of how we evaluated management's assess of the group's and parent company's ability to continue to adopt the going concern basis of accounting please see the going concern key audit matter.

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
- 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 38, 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 operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

The most significant laws and regulations were determined as follows:

LEGISLATION/REGULATION	ADDITIONAL AUDIT PROCEDURES PERFORMED BY THE GROUP AUDIT ENGAGEMENT TEAM INCLUDED:
UK-adopted IAS and Companies Act 2006	Review of the financial statement disclosures and testing to supporting documentation; Completion of disclosure checklists to identify areas of non-compliance
FCA regulations	Review of controls in place to ensure ongoing compliance with FCA regulator requirements including reporting to the Board. In addition we completed work to review compliance with FCA laws and regulations.

The areas that we identified as being susceptible to material misstatement due to fraud were:

RISK	AUDIT PROCEDURES PERFORMED BY THE AUDIT ENGAGEMENT TEAM:
Revenue recognition	Test of detail over different revenue streams, including substantive analytics and tests of controls for certain income streams.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of our report

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

Malcolm Pirouet (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB
26 September 2022

Consolidated statement of comprehensive income

	Note	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Revenue	5	26,688	32,035
Administrative expenses		(27,550)	(33,062)
Expected credit loss		(239)	(81)
Operating loss	6	(1,101)	(1,108)
Net (loss) / gains on investments	17, 21	(2,683)	1,626
Finance income	8	10	1
Finance expense	8	(224)	(511)
Other income	9	2,175	-
(Loss) / profit before tax		(1,823)	8
Taxation	10	(121)	67
(Loss) / profit and total comprehensive income for the year		(1,944)	75
Earnings per share	12		
From continuing operations			
Basic		(3.29p)	0.13p
Diluted		-	0.12p

Notes on pages 52 to 88 are an integral part of these financial statements.

There were no items of other comprehensive income for the current year or prior years.

Consolidated and Company statement of financial position

Registered Number 03870190

		Group		Company	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Note	£'000	£'000	£'000	£'000
ASSETS					
Non-current assets					
Intangible assets	*15*	3,763	4,259	-	-
Goodwill	*14*	3,539	3,539	-	-
Investment in subsidiaries	*16*	-	-	26,448	26,448
Property, plant and equipment	*13*	569	325	-	4
Investments	*17*	820	3,013	-	-
Right of use asset	*18*	635	1,168	-	-
Deferred tax asset	*19*	-	190	-	-
Treasury note	*28*	-	-	1,093	900
		9,326	12,494	27,541	27,352
Current assets					
Trade and other receivables	*20*	5,444	5,758	29	113
Other investments	*21*	2,049	1,912	-	-
Cash and cash equivalents	*22*	4,234	6,446	-	1,246
		11,727	14,116	29	1,359
Total assets		21,053	26,610	27,570	28,711
LIABILITIES					
Current liabilities					
Trade and other payables	*23*	(4,013)	(6,681)	(1,136)	(2,357)
Lease liability	*18*	(319)	(376)	-	-
Deferred consideration	*24*	(2,121)	(2,412)	(2,121)	(2,412)
Deferred tax liability	19	(663)	(732)	-	-
		(7,116)	(10,201)	(3,257)	(4,769)
Non-current liabilities					
Lease liability	*18*	(293)	(999)	-	-
		(293)	(999)	-	-
Total liabilities		(7,409)	(11,200)	(3,257)	(4,769)
Total net assets		13,644	15,410	24,313	23,942
Capital and reserves					
Share capital	*27*	3,116	3,104	3,116	3,104
Share premium	*27*	19,014	19,014	19,014	19,014
Other reserves		981	981	228	228
Retained earnings		(8,374)	(6,789)	1,955	1,596
Treasury shares	*28*	(1,093)	(900)	-	-
Shareholders' funds		13,644	15,410	24,313	23,942

Consolidated and Company statement of financial position

Registered Number 03870190

The notes on pages 52 to 88 are an integral part of these financial statements.

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 not to present the Company statement of comprehensive income. The loss after tax of the Company for the year was £nil (FY22: £nil).

These financial statements were approved by the Board of Directors on 26 September 2023 and were signed on its behalf by:

S Jackson
Director

Consolidated and Company statement of cash flows

		Group		Company	
		Year ended 31 Mar 2023	Year ended 31 Mar 2022	Year ended 31 Mar 2023	Year ended 31 Mar 2022
	Notes	£'000	£'000	£'000	£'000
Operating activities:					
(Loss) / profit for the year:		(1,944)	75	-	-
		(1,944)	75	-	-
Adjustments for non-cash items:					
Depreciation and amortisation	*13, 15, 18*	1,093	1,229	-	-
Finance income	*8*	(10)	(1)	-	-
Finance expense	*8*	224	511	173	416
Tax	*10*	121	(67)	-	-
Non-cash adjustment for share option charge	*7*	359	470	359	470
Non-cash adjustment for investment gains	*17, 21*	2,683	(1,626)	-	-
Non-cash consideration for revenue		(1,096)	(1,651)	-	-
Non-cash adjustment for right of use assets	*18*	(125)	-	-	-
Working capital changes:					
Decrease / (increase) in trade and other receivables		314	(601)	88	(57)
(Decrease) / increase in trade and other payables		(2,668)	(942)	(1,221)	(603)
Net cash (used in) / generated from operations		(1,049)	(2,603)	(601)	226
Income taxes received/(paid)	*10*	-	-	-	
Net cash inflows / (outflows) from operating activities		(1,049)	(2,603)	(601)	226
Investing activities:					
Acquisition of property, plant and equipment	*13*	(475)	(103)	-	(4)
Decrease / (increase) in loan receivables		-	-	(193)	(256)
Interest received	*8*	10	-	-	-
Movement in current asset investments	*17, 21*	430	1,933	-	-
Net cash (used in) / generated from investing activities		(35)	1,830	(193)	(260)
Finance activities:					
Proceeds from issue of share capital	*27*	12	34	12	34
Purchase of own shares by Employee Benefit Trust		(193)	(256)	-	-
Interest paid	*8*	-	(2)	-	-
Deferred consideration paid	*24*	(464)	-	(464)	-
Lease liability payments		(483)	(768)	-	-
Net cash (used in) / generated from financing activities		(1,128)	(992)	(452)	34
Net (decrease) / increase in cash and cash equivalents		(2,212)	(1,765)	(1,246)	-
Cash and cash equivalents at beginning of year		6,446	8,211	1,246	1,246
Cash and cash equivalents at end of year		4,234	6,446	-	1,246

Reconciliation of Group and Company liabilities arising from financing activities in the year:

Group	As at 1 April 2022 £'000	Cash flows £'000	Non-cash changes £'000	As at 31 March 2023 £'000
Lease liability	1,375	(483)	(280)	612
	1,375	**(483)**	**(280)**	**612**

Reconciliation of Group and Company liabilities arising from financing activities in the prior year:

Group	As at 1 April 2021 £'000	Cash flows £'000	Non-cash changes £'000	As at 31 March 2022 £'000
Lease liability	2,058	(768)	85	1,375
	2,058	**(768)**	**85**	**1,375**

There are no Company liabilities arising from financing activities.

The notes on pages 52 to 88 are an integral part of these financial statements.

Consolidated and Company statement of changes in equity

Group	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Treasury shares £'000	Total equity £'000
Balance at 1 April 2021	3,101	18,983	981	(7,334)	(644)	15,087
Profit and total comprehensive income for the year	-	-	-	75	-	75
Transactions with owners in their capacity as owners:						
Employee share option scheme	-	-	-	470	-	470
New share capital issued	3	31	-	-	-	34
Purchase of own shares by Employee Benefit Trust	-	-	-	-	(256)	(256)
Balance at 31 March 2022	3,104	19,014	981	(6,789)	(900)	15,410
Loss and total comprehensive income for the year	-	-	-	(1,944)	-	(1,944)
Transactions with owners in their capacity as owners:						
Employee share option scheme	-	-	-	359	-	359
New share capital issued	12	-	-	-	-	12
Purchase of own shares by Employee Benefit Trust	-	-	-	-	(193)	(193)
Balance at 31 March 2023	3,116	19,014	981	(8,374)	(1,093)	13,644

The notes on pages 52 to 88 are an integral part of these financial statements.

Retained earnings include £10k (2022: £10k) ESOT reserve.

Consolidated and Company statement of changes in equity

Company	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Treasury shares £'000	Total equity £'000
Balance at 1 April 2021	3,101	18,983	228	1,126	-	23,438
Profit / (loss) and total comprehensive income for the year	-	-		-	-	-
Transactions with owners in their capacity as owners:						
Employee share option scheme	-	-	-	470	-	470
New share capital issued	3	31	-	-	-	34
Balance at 31 March 2022	3,104	19,014	228	1,596	-	23,942
Profit / (loss) and total comprehensive income for the year	-	-	-	-	-	-
Transactions with owners in their capacity as owners:						
Employee share option scheme	-	-	-	359	-	359
New share capital issued	12	-	-	-	-	12
Balance at 31 March 2023	3,116	19,014	228	1,955	-	24,313

The notes on pages 52 to 88 are an integral part of these financial statements.

The nature and purpose of each reserve, whether consolidated or Company only, is summarised below:

Share premium
The share premium is the amount raised on the issue of shares that is in excess of the nominal value of those shares and is recorded less any direct costs of issue.

Other reserves
Other reserves comprise a (consolidated) merger reserve of £753k (FY22: £753k) and a (consolidated and company) capital redemption reserve of £228k (FY22: £228k).

Retained earnings
Retained earnings reflect accumulated income, expenses, gains and losses, recognised in the statement of comprehensive income and the statement of recognised income and expense and is net of dividends paid to shareholders. It includes £10k (FY22: £10k) of ESOT reserve.

Treasury shares
Purchases of the Company's own shares in the market are presented as a deduction from equity, at the amount paid, including transaction costs. That is, shares are shown as a separate class of shareholders' equity with a debit balance. This includes shares in the Company held by the EBT or ESOT, both of which are consolidated within the consolidated figures.

Notes to the financial statements

1. General information

WH Ireland Group plc is a public company incorporated in the United Kingdom. The shares of the Company are traded on the AIM, a market of the London Stock Exchange Group plc. The address of its registered office is 24 Martin Lane, London, EC4R 0DR.

Basis of preparation

The consolidated and Parent Company financial statements have been prepared in accordance with International Accounting Standards as adopted by the UK and in accordance with the Companies Act 2006. The principal accounting policies adopted in the preparation of the consolidated financial statements are set out in note 3. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in British Pounds (GBP), which is also the Group's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

Going concern

The financial statements of the Group have been prepared on a going concern basis. In making this assessment, the Directors have prepared detailed financial forecasts for the period to September 2024 which consider the funding and capital position of the Group and Company. Those forecasts make assumptions in respect of future trading conditions, notably the economic environment and its impact on the Group's revenues and costs. In addition to this, the nature of the Group's business is such that there can be considerable variation in the timing of cash inflows. The forecasts take into account foreseeable downside risks, based on the information that is available to the Directors at the time of the approval of these financial statements.

Certain activities of the Group are regulated by the FCA, the statutory regulator for financial services business in the UK which has responsibility for policy, monitoring and discipline for the financial services industry. The FCA requires the Group's capital resources to be adequate; that is sufficient in terms of quantity, quality and availability, in relation to its regulated activities. The Directors monitor the Group's regulatory capital resources on a regular basis.

The Group had been in discussion with the FCA (including in respect of the Group's relevant net asset and regulatory capital positions) in order to ensure that, in the absence of the injection of further capital pursuant to the Placing, the Company could deliver a solvent wind down for the Group, if required, in line with the Company's solvent wind down plan (SWDP). A solvent wind down plan is a plan drawn up in accordance with regulatory requirements in order to facilitate an orderly wind down of a regulated firm, as further described below. On the basis of the adverse current and forecast trading and resultant losses, without further funding pursuant to the placing, the SWDP would have been required to be implemented post year-end.

The Directors have conducted full and thorough assessments of the Group's business and the past financial year has provided a thorough test of those assessments. The significant market turbulence presented a range of challenges to the business and as a result after the year-end the Group proceeded to raise additional capital by way of placing of ordinary shares to existing shareholders and new investors (further details can be found in note 33) raising £5m. Additionally, cost reduction exercises were implemented and the benefits expected to take effect from quarter 3 of the financial year. The cost savings have been factored into the forecasts.

Whilst there always remains uncertainty over the economic environment, after the year-end the business has improved its capital position and likelihood of a return to a break-even position. Further actions open to the Directors include incremental cost reductions, regulatory capital optimisation programmes or further capital raising.

An analysis of the potential downside impacts was conducted as part of the going concern assessment to assess the potential impact on revenue and asset values with a particular focus on the variable component parts of our overall revenue, such as corporate finance fees and commission. Furthermore, reverse stress tests were modelled to assess what level the Group's business would need to reduce to before resulting in a liquidity crisis or a breach of regulatory capital. That modelling concluded that transactional, non-contractual revenue would need to decline by more than 60% from management's forecasts to create such a crisis situation within 18 months' time.

Based on all the aforementioned, the Directors believe that regulatory capital requirements will continue to be met and that the Group and Company has sufficient liquidity to meet its liabilities for the next twelve months and that the preparation of the financial statements on a going concern basis remains appropriate.

2. Adoption of new and revised standards

New and amended standards that are effective for the current year
A number of new or amended standards became applicable for the current reporting period and as a result the Group and Company has applied the following standards:

- Amendments to IFRS 16: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IFRS 3: Reference to Conceptual Framework
- Amendments to IAS 37: Onerous Contracts – Cost

The above requirements did not have a material impact on the financial statements of the group or company.

New standards, interpretations and amendments not yet effective

Name	Description	Effective date
IAS 1 (amendments)	Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-Current – Deferral of Effect Date.	1 January 2023
IAS 1 (amendments)	Non-current Liabilities with covenants	1 January 2024

The Directors do not expect the adoption of these standards and amendments to have a material impact on the Financial Statements.

3. Significant accounting policies

Basis of consolidation
Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained until the date on which control ceased.

In the Company's accounts, investments in subsidiary undertakings are stated at cost less any provision for impairment.

Business combinations
All business combinations are accounted for by applying the purchase method. The purchase method involves recognition, at fair value, of all identifiable assets and liabilities, including contingent liabilities, of the subsidiary at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. The cost of business combinations is measured based on the fair value of the equity or debt instruments issued and cash or other consideration paid, plus any directly attributable costs. Any directly attributable costs relating to business combinations before or after the acquisition date are charged to the statement of comprehensive income in the period in which they are incurred.

Goodwill arising on a business combination represents the excess of cost over the fair value of the Group's share of the identifiable net assets acquired and is stated at cost less any accumulated impairment losses. The cash generating units to which goodwill is allocated are tested annually for impairment. Any impairment is recognised immediately in administrative expenses in the statement of comprehensive income and is not subsequently reversed. On disposal of a subsidiary the attributable amount of goodwill that has not been subject to impairment is included in the determination of the profit or loss on disposal.

3. Significant accounting policies (continued)

Revenue

WEALTH MANAGEMENT (WM)

Management and custody fees

Investment management fees are recognised in the period in which the related service is provided. It is a variable fee based on the average daily market value of assets under management and is invoiced on a calendar quarter basis in arrears. The performance obligation is satisfied over time as the contractual obligations are on ongoing throughout the period under contract. The revenue accrued but not yet invoiced is recognised as a contract asset.

Initial and ongoing advisory fees

Initial advisory fees are charged to clients on a fixed one-off fee agreement. The performance obligation is satisfied as the initial advice is provided. Ongoing advisory fees are variable fees based on the average daily market value of assets under management and invoiced on a calendar quarter basis in arrears. Both initial and ongoing advisory fees are recognised in the period in which the related service is provided. The performance obligation of ongoing advice is satisfied over time as the contractual obligations are ongoing throughout the period under contract. The revenue accrued but not yet invoiced is recognised as a contract asset.

Commission and transaction charges

Commission is recognised when receivable in accordance with the date of settlement. It is a variable fee based on a percentage of the transaction and therefore the performance obligation is satisfied at the date of the underlying transaction. The transaction price is calculated based on the agreed percentage of the underlying consideration of the trade. The underlying consideration being the number of shares multiplied by the share price at the time of the underlying transaction.

CAPITAL MARKETS (CM)

Commission

Brokerage commission is recognised when receivable in accordance with the date of settlement. It is a variable fee based on a percentage of the transaction and therefore performance obligation is satisfied at the date of the underlying transaction. The transaction price is calculated based on the agreed percentage of the underlying consideration of the trade. The underlying consideration being the number of shares multiplied by the share price at the time of the underlying transaction.

Corporate finance advisory fees

Corporate finance advisory fees are fixed fees agreed on a deal by deal basis and might include non-cash consideration received in the form of shares, loan notes, warrants or other financial instruments recognised at the fair value on the date of receipt and therefore the performance obligation is satisfied at a point in time when the Group has fully completed the performance obligations per the contract.

Retainer fees

Retainer fees are recognised over the length of time of the agreement. Fees are fixed and invoiced quarterly in advance based on the agreed engagement letter. The performance obligation is satisfied over time as the contractual obligations are on ongoing throughout the period under contract. The deferred revenue is recognised as a contract liability.

Corporate placing commissions

Corporate placing commissions are variable fees agreed on a deal-by-deal basis based on a percentage of the funds raised as part of a transaction. This includes non-cash consideration received in the form of shares, loan notes, warrants or other financial instruments recognised at the fair value on the date of receipt. Given that fees related to this work are success based, there is a significant risk of reversal of the variable revenue and therefore the performance obligation is satisfied at a point in time when the transaction is completed. The combination of corporate placing commissions and corporate finance advisory fees are referred to as corporate success fees.

3. Significant accounting policies (continued)

Employee benefits
The Group contributes to employees' individual money purchase personal pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged to the statement of comprehensive income represents the contributions payable to the schemes in respect of the period to which they relate.

Short-term employee benefits are those that fall due for payment within 12 months of the end of the period in which employees render the related service. The cost of short-term benefits is not discounted and is recognised in the period in which the related service is rendered. Short-term employee benefits include cash-based incentive schemes and annual bonuses.

Share-based payments
The share option programmes allow Group employees to receive remuneration in the form of equity-settled share-based payments granted by the Company.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value of the options granted is measured using an option valuation model. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The cumulative expense recognised for equity settled transactions, at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

Where the terms of an equity-settled award are modified, an incremental value is calculated as the difference between the fair value of the repriced option and the fair value of the original option at the date of re-pricing. This incremental value is then recognised as an expense over the remaining vesting period in addition to the amount recognised in respect of the original option grant.

Where an equity-settled award is cancelled or settled (that is, cancelled with some form of compensation) it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately.

However, if a new award is substituted for the cancelled award and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. Any compensation paid up to the fair value of the award is accounted for as a deduction from equity. Where an award is cancelled by forfeiture, when the vesting conditions are not satisfied, any costs already recognised are reversed (subject to exceptions for market conditions).

In all instances, the charge/credit is taken to the statement of comprehensive income of the Group or Company by which the individual concerned is employed.

Employee Benefit Trust (EBT)
The cost of purchasing own shares held by the EBT are shown as a deduction against equity. The proceeds from the sale of own shares held increase equity. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the consolidated statement of comprehensive income.

Employee Share Ownership Trust (ESOT)
The Company has established an ESOT. The assets and liabilities of this trust comprise shares in the Company and loan balances due to the Company. The Group includes the ESOT within these consolidated Financial Statements and therefore recognises a Treasury shares reserve in respect of the amounts loaned to the ESOT and used to purchase shares in the Company. Any cash received by the ESOT on disposal of the shares it holds, will be used to repay the loan to the Company.

3. Significant accounting policies (continued)

Treasury shares
The costs of purchasing Treasury shares are shown as a deduction against equity. The proceeds from the sale of own shares held increase equity. Neither the purchase nor sale of treasury shares leads to a gain or loss being recognised in the consolidated statement of comprehensive income.

Income taxes
Income tax on the profit or loss for the years presented, comprising current tax and deferred tax, is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided for temporary differences, at the reporting year-end date, between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The following temporary differences are not provided for;

- goodwill which is not deductible for tax purposes;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and
- temporary differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting period end date (note 19).

A deferred tax asset is recognised for all deductible temporary differences and unused tax losses only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The deferred tax asset of £190k was released during the period in light of recent forecasts (FY22: £190k).

Plant and equipment
Plant and equipment is stated at cost less accumulated depreciation and impairment. Depreciation is calculated, using the straight-line method, to write down the cost or revalued amount of plant and equipment over the assets' expected useful lives, to their residual values, as follows:

Computers, fixtures and fittings	–	4 to 7 years

Intangible assets
Measurement
Intangible assets with finite useful lives that are acquired separately are measured, on initial recognition at cost. Following initial recognition, they are carried at cost less accumulated amortisation and any accumulated impairment. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Intangible assets other than goodwill are amortised over the expected pattern of their consumption of future economic benefits, to write down the cost of the intangible assets to their residual values as follows:

Client relationships	–	10 to 12 years
Brand	–	2 years

The amortisation period and method for an intangible asset are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset or its residual value are accounted for by changing the amortisation period or method.

3. Significant accounting policies (continued)

Intangible assets (continued)

Impairment

The carrying amounts of the Group's intangible assets, excluding goodwill, are reviewed when there is an indicator of impairment and the asset's recoverable amount is estimated.

The recoverable amount is the higher of the asset's fair value less costs to sell (or net selling price) and its value-in-use. Value-in-use is the discounted present value of estimated future cash inflows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Where the recoverable amount of an individual asset cannot be identified, it is calculated for the smallest cash-generating unit (CGU) to which the asset belongs. A CGU is the smallest identifiable group of assets that generates cash inflows independently.

When the carrying amount of an asset (or CGU) exceeds its recoverable amount, the asset (or CGU) is considered to be impaired and is written down to its recoverable amount. An impairment loss is immediately recognised as an expense. Any subsequent reversal of impairment credited to the statement of comprehensive income shall not cause the carrying amount of the intangible asset to exceed the carrying amount that would have been determined had no impairment been recognised.

Impairment of assets

Goodwill and other intangible assets that have an indefinite life are not subject to amortisation, they are tested annually for impairment. Other assets are tested for impairment when any changes in circumstance indicate the carrying amount is possibly not recoverable. An impairment loss is recognised when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the value in use. Goodwill is allocated to cash generating units for the purpose of assessing impairment, assets (excluding goodwill) are grouped together based on the assets that independently generates cash flow whose cash flow is largely independent of the cash flows generated by other assets (cash generating units).

Leased assets

Measurement and recognition of leases as a lessee

For any new lease contracts entered into on or after 1 April 2019, as permitted under IFRS 16, the Group recognises a right of use asset and a lease liability except for:

- Leases with a term of 12 months or less from the lease commencement date
- Leases of low value assets

Lease liabilities are measured at the present value of the unpaid lease payments discounted using an incremental borrowing rate.

Right of use assets are initially measured at the amount of the lease liabilities plus initial direct costs, costs associated with removal and restoration and payments previously made. Right of use assets are amortised on a straight-line basis over the term of the lease.

Lease liabilities are subsequently increased by the interest charge using the incremental borrowing rate and reduced by the principal lease.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

3. Significant accounting policies (continued)

Financial assets and liabilities
Investments are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Assets and liabilities are presented net where there is a legal right to offset and an intention to settle in that way.

The three principal classification categories for financial assets are: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial assets are not reclassified after their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Assets held at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Trade receivables and other receivables are measured and carried at amortised cost using the effective interest method, less any impairment. If impaired, the carrying amount of other receivables is reduced by the impairment loss directly and a charge is recorded in the Income Statement. For trade receivables, the carrying amount is reduced by the expected credit lifetime losses under the simplified approach permitted under IFRS9. Subsequent recoveries of amounts previously written off are credited against the allowance account and changes in the carrying amount of the allowance account are recognised in the Income Statement.

Equity investments at OCI are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

The following financial assets & liabilities are held at FVTPL; investments and deferred consideration. The following financial assets and liabilities are held at amortised cost; Cash and cash equivalents, trade and other receivables, accrued income, trade and other lease liabilities.

Trade payables
Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider that the carrying amount of trade payables approximates to their fair value.

Deferred consideration
Deferred consideration is recognised at the discounted present value of amounts payable. After initial recognition, it is rebased over the period in which the consideration is payable, with the unwinding of the discount being taken to the statement of comprehensive income.

4. Critical accounting judgements and key sources of estimation and uncertainty

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Amortisation and impairment of non-financial assets

As noted above, the Group estimates the useful economic lives of intangible assets, in order to calculate the appropriate amortisation charge. This is done by the Directors using their knowledge of the markets and business conditions that generated the asset, together with their judgement of how these will change in the foreseeable future.

Where an indicator of impairment exists, value in use calculations are performed to determine the appropriate carrying value of the asset. The value in use calculation requires the Directors to estimate the future cash flows expected to arise for the CGU and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise (see note 15).

Goodwill is subject to an annual impairment review which is performed by comparing the balance value with the recoverable amount of the asset or it's CGU. The recoverable amount is the higher of the value in use and fair value to sell less costs.

Investments in subsidiaries

Where an indicator of impairment exists, management uses its judgement to assess the carrying value of the asset by determining the fair value by independent assessment of the carrying value of the business units and by comparative analysis against other similar businesses in the peer group. The carrying value of investments in subsidiaries on 31 March 2023 was £26.4m (FY22: £26.4m) (see note 16).

At the year-ended 31 March 2023, the carrying values of the investments in subsidiaries were assessed for indicators of impairment.

The value of Harpsden Wealth Managements Limited (Harpsden) forming part of the total value of investments in subsidiaries, is tested as part of the annual impairment of goodwill. Since this test showed no impairment due (see note 19 for further detail) it has been viewed there is no requirement for a further impairment to the carrying value of the related investment.

The value of WH Ireland Limited can be considered in the sum of two parts, for the two divisions. The Wealth Management (WM) revenue, excluding Harpsden (tested separately), is predominantly derived from the assets under management. An AUM multiple was applied to obtain an indication of the value of the total WM. Capital Markets was valued by a multiple of annual revenue based on success fees and retainer fee revenue.

The total value of the two divisions together did not indicate an impairment was necessary for WH Ireland Limited, therefore no adjustment has been made for the year ended 31 March 2023.

Warrants

Included in non-current investments are warrants valued at the estimated fair value at the reporting date. These values are obtained by applying an appropriate valuation model for which most of the inputs are based on contracts and external sources. Therefore, no reasonable change in assumptions would lead to a material change in the fair value, see note 17 for details of the fair value at 31 March 2023.

Deferred consideration

As described in note 24, the Group has a deferred consideration balance in respect of the acquisition in December 2020 of Harpsden Wealth Management Limited. The expected future payment is recognised at its fair value, this being the estimate of future payments due. This was previously discounted to present value, however as at 31 January 2023 was fully unwound.

5. Segment information

The Group has two principal operating segments, Wealth Management (WM) and Capital Markets (CM) and a number of minor operating segments that have been aggregated into one operating segment.

WM offers investment management advice and services to individuals and contains our Wealth Planning business, giving advice on and acting as intermediary for a range of financial products. CM provides corporate finance and corporate broking advice and services to companies and acts as Nominated Adviser (Nomad) to clients traded on the AIM and contains our Institutional Sales and Research business, which carries out stockbroking activities on behalf of companies as well as conducting research into markets of interest to its clients.

Both divisions are located in the UK. Each reportable segment has a segment manager who is directly accountable to, and maintains regular contact with, the Chief Executive Officer.

No customer represents more than ten percent of the Group's revenue (FY22: nil).

The following tables represent revenue and cost information for the Group's business segments. The key line items below are not consistent with the statement of comprehensive income.

Year ended 31 March 2023	Wealth Management	Capital Markets	Group and consolidation adjustments	Group
	£'000	£'000	£'000	£'000
Revenue	14,443	12,245	-	**26,688**
Direct costs	(11,400)	(11,604)	-	**(23,004)**
Contribution	3,043	641	-	**3,684**
Indirect costs	(2,798)	(1,994)	(879)	**(5,671)**
Underlying profit / (loss) before tax	245	(1,353)	(879)	**(1,987)**
Amortisation of acquired brand and client relationships	(496)	-	-	**(496)**
Changes in fair value and finance cost of deferred consideration	(173)	-	-	**(173)**
Other income	1,957	-	-	**1,957**
Net changes in the value of non-current investment assets	-	(1,124)	-	**(1,124)**
Profit / (loss) before tax	1,533	(2,477)	(879)	**(1,823)**
Tax	69	-	(190)	**(121)**
Profit / (loss) for the year	1,602	(2,477)	(1,069)	**(1,944)**

Year ended 31 March 2023	Wealth Management	Capital Markets	Group
	£'000	£'000	£'000
Statutory operating costs included the following:			
Amortisation	496	-	496
Depreciation	141	90	231
Depreciation from Right of Use assets	218	148	366

5. Segment information (continued)

Year ended 31 March 2022	Wealth Management	Capital Markets	Group and consolidation adjustments	Group
	£'000	£'000	£'000	£'000
Revenue	15,837	16,198	-	**32,035**
Direct costs	(13,072)	(12,475)	-	**(25,547)**
Contribution	2,765	3,723	-	**6,488**
Indirect costs	(3,013)	(1,427)	(651)	**(5,091)**
Underlying profit/(loss) before tax	(248)	2,296	(651)	**1,397**
Acquisition related costs	(446)	-	-	**(446)**
Amortisation of acquired brand and client relationships	(505)	-	-	**(505)**
Changes in fair value and finance cost of deferred consideration	(416)	-	-	**(416)**
Restructuring costs	(478)	(357)	-	**(835)**
Net changes in the value of non-current investment assets	-	813	-	**813**
Profit/(loss) before tax	(2,093)	2,752	(651)	**8**
Tax	67	-	-	**67**
Profit/(loss) for the year	(2,026)	2,752	(651)	**75**

Year ended 31 March 2022	Wealth Management	Capital Markets	Group
	£'000	£'000	**£'000**
Statutory operating costs included the following:			
Amortisation	505	-	**505**
Depreciation	199	90	**289**
Depreciation from Right of Use assets	267	168	**435**

Segment assets and segment liabilities are reviewed by the Chief Executive Officer based on the consolidated statement of financial position. Accordingly, this information is replicated in the Group Consolidated statement of financial position on page 46. As no measure of assets or liabilities for individual segments is reviewed regularly by the Chief Executive Officer, no disclosure of total assets or liabilities has been made.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

5. Segment information (continued)

Revenue disaggregated by division and timing of recognition below:

Year ended 31 March 2023	Wealth Management	Capital Markets	Group and consolidation adjustments	Group
	£'000	£'000	£'000	£'000
Point in time	1,528	8,011	-	**9,539**
Over time	12,915	4,234	-	**17,149**
	14,443	12,245	-	**26,688**

Year ended 31 March 2022	Wealth Management	Capital Markets	Group and consolidation adjustments	Group (continuing operations)
	£'000	£'000	£'000	£'000
Point in time	**2,443**	**12,429**	-	**15,187**
Over time	**13,394**	**3,769**	-	**13,554**
	15,837	**16,198**	-	**28,741**

The following movement of contract liabilities was recognised in the year:

Group	As at 31 Mar 2022 £'000	Recognised in revenue £'000	Amounts deferred £'000	As at 31 Mar 2023 £'000
Contract liabilities	39	(39)	7	7

Contract liabilities relate to deferred recognition of retainer fees invoices quarterly. During the year the billing period was aligned to the financial year quarters causing a reduction in contract liabilities at the year-end 31 March 2023.

6. Operating profit/ (loss)

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Operating (loss)/profit is stated after charging/(crediting):		
Depreciation of property, plant and equipment (note 13)	231	289
Amortisation of intangibles (note 15)	496	505
Short term and low value leases	112	59
IFRS 16 depreciation (note 18)	366	435
Employee benefit expense (note 7)	16,744	21,300
Restructuring and non-recurring legal and regulatory costs	-	1,191
Other administrative expenses	9,326	9,083
Auditors' remuneration:		
Audit of these financial statements	60	50
Amounts payable to the principal auditors and their associates in respect of:		
- audit of financial statements of subsidiaries pursuant to legislation	115	95
- audit related assurance services	50	55
- audit of financial statements relating for prior year	50	-
	27,550	33,062
Expected credit loss (note 20)	239	81
Total	27,789	33,143

Other administrative expenses are incurred in the ordinary course of the business and do not include any non-recurring items.

7. Employee benefit expense

The Group claimed £nil of grants during the year (FY22: £7k) from the UK Government through the Coronavirus Job Retention Scheme. No staff remained on furlough from 30 June 2021.

Non-salaried staff are commission-only brokers and therefore do not receive a salary.

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Wages and salaries	11,970	12,139
Bonuses	1,537	2,148
Social security costs	1,734	1,975
Other pension costs	539	508
	15,780	16,770
Non salaried staff	605	4,895
Other administrative expenses	16,385	21,665
Charge for share options granted to employees (note 30)	359	470
Less amounts included within Restructuring and non-recurring costs	-	(835)
	16,744	21,300

Company	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Wages and salaries	207	260

The average number of persons (including Directors) employed during the year was:

Group	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Executive and senior management	6	8
Capital Markets	50	42
Wealth Management	74	75
Support staff	30	26
Salaried staff	160	151
Non salaried staff	3	7
Total	163	158

Company	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Executive and senior management	4	4

The total amount paid to Directors in the period, including social security costs was £0.9m (FY22: £1.6m). Full details of Directors' remuneration, including that of the highest paid Director, are disclosed in the Remuneration Report on pages 35-37 of these financial statements.

8. Finance income and expense

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Bank interest receivable	10	1
Other interest	-	-
Finance income	10	1
		-
Interest payable on lease liabilities	51	93
Fair value and present value discount of deferred consideration (see note 24)	173	416
Other interest	-	2
Finance expense	224	511

9. Other income

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
VAT refund	2,175	-
Total other income	2,175	-

During the year the Group received a refund of £2.2m from HMRC. This was following confirmation from HMRC that the supply of certain Group services were exempt from VAT during the period from 2017 to 2022.

10. Taxation

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Current tax expense:		
United Kingdom corporation tax at 19% (FY22: 19%)	-	-
Total current tax	-	-
Deferred tax credit (note 19):		
Current year	121	(67)
Effect of change in tax rate	-	-
Total deferred tax	121	(67)
Total tax in the statement of comprehensive income	121	(67)

10. Taxation (continued)

The tax credit for the year and the amount calculated by applying the standard United Kingdom corporation tax rate of 19% (FY22: 19%) to profit before tax can be reconciled as follows:

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
(Loss)/ profit before tax	(1,823)	8
Tax expense using the United Kingdom corporation tax rate of 19% (FY22: 19%)	(346)	2
Other expenses not tax deductible	334	183
Income not chargeable to tax	(11)	(6)
Movement in unrecognised deferred tax	(60)	(246)
Movement in recognised deferred tax	190	-
Amounts not recognised	14	-
Total tax credit in the statement of comprehensive income	121	(67)

11. Dividend

No dividend is proposed in respect of 2023 (FY22: none).

12. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company (note 28).

Diluted EPS is the basic EPS, adjusted for the effect of the conversion into fully paid shares of the weighted average number of all employee share options outstanding. In a year when the Company presents positive earnings attributable to ordinary shareholders, anti-dilutive options represent options issued where the exercise price is greater than the average market price for the period.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below:

Group	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Weighted average number of shares in issue during the period	59,172	59,692
Effect of dilutive share options (thousands)	-	1,190
	59,172	60,882
Total		
Profit for the year attributable to ordinary shareholders (£'000)	(1,944)	75
Basic	(3.29p)	0.13p
Diluted	-	0.12p

13. Property, plant and equipment

	Group	Company
	Computers, fixtures and fittings	Computers, fixtures and fittings
	£'000	£'000
Cost		
At 31 March 2021	5,645	33
Additions	103	4
At 31 March 2022	5,748	37
Additions	475	-
Disposal	-	(4)
At 31 March 2023	6,223	33
		-
Depreciation and impairment		
At 31 March 2021	5,134	33
Depreciation charge	289	-
At 31 March 2022	5,423	33
Depreciation charge	231	-
At 31 March 2023	5,654	33
		-
Net book values		
At 31 March 2023	569	-
At 31 March 2022	325	4

Included in the above, are software costs capitalised in the year with a net book value at 31 March 2023 of £116k (FY22: £nil).

14. Goodwill

Goodwill acquired in a business combination is allocated to a cash generating unit (CGU) that will benefit from that business combination.

The carrying amount of goodwill acquired in the acquisition of Harpsden Wealth Management is set out below:

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Beginning of year	3,539	3,539
End of year	3,539	3,539

Goodwill is assessed annually for impairment and the recoverability has been assessed at 31 January 2023 by comparing the carrying value of the CGU to which the goodwill is allocated against its recoverable amount. The recoverable amount is the higher of the CGU's fair value less cost to sell and the value in use. The value in use has been calculated using pre-tax discounted cash flow projections based on the most recent budgets and forecasts approved by the Board of Directors.

The projections cover a five-year period and a terminal multiple has been applied to the cash-flows extrapolating the projections consistent with the assumed indefinite useful life of the goodwill.

The Harpsden CGU recoverable amount was calculated as £10.0m (FY22: £10.94m), indicating that there is no impairment. The main underlying assumptions used in the calculations are the pre-tax discount rate, the short-term growth in revenue and expenditure and the long-term growth rate to perpetuity. The revenue growth used in the cash flow forecast is based on the AUM forecasts multiplied by the relevant yields. AUM forecasted growth ranges from -2.6% to 5.0% (FY22: 5% to 13%). Cash outflows have been estimated at 5% (FY22: 5%) annual increase where no other significant growth has been forecasted. A pre-tax discount rate of 17.9% (14.7%) has been used. This is based on the Group's assessment of the risk-free rate of interest and specific risks relating to Harpsden. A 2% (FY22: 2%) long-term growth rate has been applied, which is prudent when compared against the growth rates used in the forecast calculations for the first five years.

Sensitivity analysis has been performed and no impairment would arise if the following scenarios occurred:

- An increase in pre-tax discount rate from 17.9% to 21.0%
- A fall in perpetuity growth rate from 2% to -3%
- If there was no increase in AUM over the five-year forecast and the subsequent terminal growth was 0%.
- A further fall in AUM in FY25 of 8%, no AUM growth in FY26 and 2% and 5% growth in AUM in FY26 & FY27 respectively would result in a break-even position

Further sensitivity was performed post year-end due to non-adjusting subsequent events that could materially impact the results of the impairment calculation. These events were not known at the reporting date and could not reliably be measured at the time of approval of these finance statements as certain elements remained under negotiation. For instance if AUM were to fall in FY25 from FY24 forecasts by a further 14.6% an impairment charge would be required. Given the uncertainty no impairment charge has been recognised at the year-end 31 March 2023.

15. Intangible assets

Client relationships arise when the group acquires a broker business with an existing client base. The assets below represent the fair value of future benefits arising from these client relationships. Amortisation of client relationships is charged to administrative expenses in the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives (2 to 12 years). No impairment indicators were present for the acquired client relationship contracts.

Group	Client relationships £'000	Brand £'000	Total £'000
Cost			
At 31 March 2021	8,731	75	8,806
Additions	-	-	-
At 31 March 2022	8,731	75	8,806
Additions	-	-	-
At 31 March 2023	**8,731**	**75**	**8,806**
Amortisation			
At 31 March 2021	4,033	9	4,042
Charge for the year	467	38	505
At 31 March 2022	4,500	47	4,547
Charge for the year	468	28	496
At 31 March 2023	**4,968**	**75**	**5,043**
Net book values			
At 31 March 2023	**3,763**	**-**	**3,763**
At 31 March 2022	4,231	28	4,259

During the year ended 31 March 2021, the group acquired client relationships totalling £4.2m as part of the Harpsden acquisition and at the year ending 31 March 2023 the net book value was £3.37m (FY22: £3.72m) and remaining useful economic life of 8 years (FY22: 9 years). An intangible asset was also recognised representing the Harpsden brand totalling £75k and at the year ending 31 March 2023 the net book value was fully amortised.

An intangible asset was recognised relating to the client relationships brought in by Robert Race when he joined the group. At the year ended 31 March 2023 the net book value was £367k (FY22: £489k) and remaining useful economic life of 3 years (FY22: 4 years).

The company did not have any intangible assets either at 31 March 2023 or 31 March 2022.

16. Subsidiaries

Company	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Beginning of year	26,448	26,448
End of year	26,448	26,448

Investments in subsidiaries are stated at cost less impairment.

The Company's subsidiaries, all of which are included in the consolidated financial statements, are presented below:

Subsidiary	Country of incorporation	Principal activity	Class of shares	Proportion held by Group	Proportion held by Company
WH Ireland Limited	England & Wales	WM and CIB	Ordinary	100%	100%
Harpsden Wealth Management Limited	England & Wales	WM	Ordinary	100%	100%
WH Ireland (Financial Services) Limited	England & Wales	Dormant	Ordinary	100%	-
Readycount Limited	England & Wales	Dormant	Ordinary	100%	100%
Stockholm Investments Limited	England & Wales	Dormant	Ordinary	100%	100%
ARE Business and Professional Limited	England & Wales	Dormant	Ordinary	100%	-
SRS Business and Professional Limited	England & Wales	Dormant	Ordinary	100%	-
WH Ireland Nominees Limited	England & Wales	Nominee	Ordinary	100%	-
WH Ireland Trustee Limited	England & Wales	Trustee	Ordinary	100%	-
Fitel Nominees Limited	England & Wales	Nominee	Ordinary	100%	-

The registered office of all companies listed above is 24 Martin Lane, London, EC4R 0DR.

The following dormant subsidiaries are guaranteed by the Company and therefore take advantage of the Companies Act (2006) in obtaining exemption from an individual audit:

Subsidiary	Country of incorporation	Company registration number
WH Ireland (Financial Services) Limited	England & Wales	4279349
Readycount Limited	England & Wales	3164863
Stockholm Investments Limited	England & Wales	4215675
ARE Business and Professional Limited	England & Wales	3681185
SRS Business and Professional Limited	England & Wales	4238969
WH Ireland Nominees Limited	England & Wales	2908691
WH Ireland Trustee Limited	England & Wales	3559373
Fitel Nominees Limited	England & Wales	1401140

17. Investments

Group

Financial assets at fair value through profit or loss	Quoted £'000	Unquoted £'000	**Total £'000**
At 31 March 2022	-	48	**48**
At 31 March 2023	-	48	**48**

Other financial assets at fair value through profit or loss	Quoted £'000	Warrants* £'000	**Total £'000**
At 31 March 2021	1	1,050	**1,051**
Additions	-	850	**850**
Fair value gain	-	1,072	**1,072**
Disposals	-	(8)	**(8)**
At 31 March 2022	1	2,964	**2,965**
Additions	-	286	**286**
Fair value loss	-	(2,060)	**(2,060)**
Disposals	(1)	(370)	**(371)**
At 31 March 2023	-	820	**820**
Total investments at 31 March 2023	**-**	**820**	**820**
Total investments at 31 March 2022	1	3,012	3,013

Financial assets at fair value through profit or loss include equity investments other than those in subsidiary undertakings. These are measured at fair value with fair value gains and losses recognised through profit and loss.

Other investments, in the main, comprise financial assets designated as fair value through profit or loss and include warrants and equity investments.

Warrants may be received during the ordinary course of business and are designated as fair value through profit or loss. There is no cash consideration associated with the acquisition.

Fair value, in the case of quoted investments, represents the bid price at the reporting year-end date. In the case of unquoted investments, the fair value is estimated by reference to recent arm's length transactions. The fair value of warrants is estimated using established valuation models.

The fair value of the warrants was determined using the Black Scholes model and grouped within level 3 with fair value measurements derived from formal valuation techniques (see note 25). The key inputs into this calculation are the share price as at 31 March 2023, exercise price, risk free interest rate and volatility which is based on the share price movements during the same length as the remaining time of exercise.

Included in non-operational income is the fair value loss totalling £2,060k (2022 gain: £1,072k).

Net gains on investing activities	**Year ended 31 Mar 2023 £'000**	Year ended 31 Mar 2022 £'000
Fair value (loss) / gain on warrants	(2,060)	1,072
Fair value (loss) / gain on investments	(623)	554
Total net gain on investing activities	(2,683)	1,626

18. Right of use asset and lease liability

	Leasehold Properties £'000
Cost	
At 31 March 2021	2,667
Additions	-
At 31 March 2022	2,667
Additions	445
Disposals	(1,185)
Deferred rent release	125
At 31 March 2023	2,052
Depreciation and impairment	
At 31 March 2021	1,064
Charge for the year	435
At 31 March 2022	1,499
Charge for the year	366
Disposal	(448)
At 31 March 2023	1,417
Net book values	
At 31 March 2023	635
At 31 March 2022	1,168

Maturity of discounted lease payments in relation to non-cancellable leases
The table below represents the minimum lease payments in relation to non-cancellable leases where the group is a lessee:

	Group			
Group	Payable within 1 year £'000	Payable in 2 to 5 years £'000	Payable after more than 5 years £'000	Total contractual payments £'000
2023	319	281	12	612
2022	376	956	43	1,375

18. Right of use asset & lease liability (continued)

The following represents the lease expense in relation to leases which is recognised in the statement of comprehensive income:

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Depreciation of right of use asset	366	435
Deferred rent release	(125)	-
Interest charge	51	85
Total charge	417	520

Nature of leases

The Group leases a number of properties in the jurisdictions it operates.

These leases are usually for a fixed term although the Group sometimes negotiates break clauses in its leases. On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the group to excessive risk. Typically factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and
- whether the location represents a new area of operations for the Group

As at 31 March 2023, the carrying amounts of the lease liabilities are not reduced by the amounts that would not be paid as a result of exercising the break clauses because the Group does not anticipate exercising its rights to the break clauses.

The total cash outflow for leases, including short-term leases, in the year ending 31 March 2023 was £540k (FY22: £827k)

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis in administrative expenses. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The Company did not have any right of use assets or lease liabilities either at 31 March 2023 or 31 March 2022.

19. Deferred tax assets and liabilities

Deferred tax is provided for temporary differences, at the reporting year-end date, between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes using a tax rate of 19% (FY22: 19%). A deferred tax asset is recognised for all deductible temporary differences and unutilised tax losses only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A net deferred tax liability has been recognised in the year:

Group	Year ended 31 Mar 2023 £'000	Year ended 31 Mar 2022 £'000
Tax losses	-	190
Intangible acquired on business combinations	(663)	(736)
Other	-	4
Deferred tax liability	(663)	(542)

19. Deferred tax assets and liabilities (continued)

The change in deferred tax assets and liabilities during the year was as follows:

Group	Trading losses carried forward £'000	Total £'000
Deferred tax asset		
As at 31 March 2022	190	190
As at 31 March 2023	-	-

The carrying amount of the deferred tax asset is reviewed at each reporting date and is only recognised to the extent that it is probable that future taxable profits of the Group will allow the asset to be recovered. Based on budgets for FY24 it was determined that while there is an improved chance of return to a break-even position, there is uncertainty on when the deferred tax asset will be realised in the foreseeable future. Therefore the deferred tax asset has been reduced to nil and a tax charge has been recognised accordingly.

Group	Intangible asset amortisation £'000	Total £'000
Deferred tax liabilities		
As at 1 April 2021	799	799
Credit to the Consolidated statement of comprehensive income	(67)	(67)
As at 31 March 2022	732	732
Credit to the Consolidated statement of comprehensive income	(69)	(69)
As at 31 March 2023	663	663

The unrecognised tax losses and fixed asset timing differences amount to £16.0m (FY22: £13.4m). No deferred tax has been recognised in respect of these losses due to the uncertainty over the timing of future profits.

The Company had no deferred tax balances either at 31 March 2023 or 31 March 2022.

20. Trade and other receivables

	Group		Company	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	£'000	£'000	£'000	£'000
Trade receivables	643	751	-	-
Other receivables	528	893	14	95
Accrued income	3,008	3,079	-	-
Prepayments	1,265	1,035	15	18
	5,444	5,758	29	113

The carrying value of trade and other receivable balances are denominated fully in British pounds (FY22: 100%).

Accrued income relates to management fee accruals. Management fees are accrued on a monthly basis and reconciled to fees collected quarterly. Consideration to IFRS 9 has been made and it has been determined that there is a low probability of default and therefore the expected credit loss is not material.

The impact of applying IFRS 9 to intercompany balances for the Company has been considered and probability of default was assessed and consequently, it was determined that the expected credit loss is not material.

Fees and charges owed by clients are generally considered to be past due where they remain unpaid five working days after the relevant billing date. At 31 March 2023, trade receivables (net of provisions for impairment and doubtful debts) comprised of the following:

	Group		Company	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	£'000	£'000	£'000	£'000
Not past due	17	194	-	-
Up to 5 days due	-	9	-	-
from 6 to 15 days past due	-	219	-	-
From 16 to 30 days past due	-	1	-	-
From 31 to 45 days past due	467	113	-	-
More than 45 days past due	159	215	-	-
	643	751	-	-

Included in aged receivables more than 45 days past due is the provisions for impairment of £254k (FY22: £502k).

Trade receivables are largely amounts due from retainer clients, who are invoiced on a quarterly basis in advance. The Group's policy is to allow 30 days for payment. Consequently, these receivables have no significant financing component and the Group have applied the simplified approach in line with IFRS 9. Calculation of loss allowances are measured at an amount equal to lifetime expected credit losses (ECLs). The approach taken by the Group in arriving at the expected credit loss is as follows:

Step 1: The Group have determined the appropriate brackets by grouping each trade receivables based on the ageing structure.

Step 2: Having determined the appropriate groupings, a historical loss rate (adjusted for forward looking information) was calculated for each age bracket by reviewing the pattern of payment of trade receivables over the past 12 months.

Step 3: This historical loss rate (adjusted for forward looking information) has been applied to each ageing bracket of trade receivables as at the balance sheet date to arrive at an expected credit loss for each grouping. All trade receivables over 365 days have a 100% historical loss rate loss applied to them.

20. Trade and other receivables (continued)

Based on the above, the group recognised an expected credit loss of £239k (FY22: £81k expected credit loss).

The maximum exposure to credit risk, before any collateral held as security, is the carrying value of each class of receivable set out above.

The Directors consider that the carrying amounts of trade and other receivables approximate their fair value.

Movements in impairment provisions were as follows:

	Group		Company	
	31 Mar 2023 £'000	31 Mar 2022 £'000	31 Mar 2023 £'000	31 Mar 2022 £'000
Opening balance	502	421	-	-
Amount released from provision due to recovery	(25)	(57)	-	-
Amounts written off, previously fully provided	(493)	-	-	-
Amount charged to the statement of comprehensive income	264	138	-	-
Closing balance	248	502	-	-

21. Other investments

	Group		Company	
	31 Mar 2023 £'000	31 Mar 2022 £'000	31 Mar 2023 £'000	31 Mar 2022 £'000
Current asset investment	922	1,490	-	-
Restricted cash	1,127	422	-	-
Total	2,049	1,912	-	-

Current asset investments represent short-term principal positions in the form of listed and unquoted investments which are held at market value.

Included in current asset investments are unquoted investments totalling a value of £nil (FY22: £701k).

Restricted cash represents monies held by the Group which have some restrictions on their conversion to cash.

Included in non-operational income is the fair value gain and the sale of investments. Further details can be found in note 17.

22. Cash and cash equivalents

	Group		Company	
	31 Mar 2023 £'000	31 Mar 2022 £'000	31 Mar 2023 £'000	31 Mar 2022 £'000
Cash and cash equivalents	4,234	6,446	-	1,246

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits with banks and financial institutions with a maturity of up to three months.

Cash and cash equivalents represent the Group's and the Company's money and money held for settlement of outstanding transactions.

Money held on behalf of clients is not included in cash and cash equivalents on the statement of financial position. Client money at 31 March 2023 for the Group was £301k (FY22: £366k). There is no client money held in the Company (FY22: £nil).

23. Trade and other payables

	Group		Company	
	31 Mar 2023 £'000	31 Mar 2022 £'000	31 Mar 2023 £'000	31 Mar 2022 £'000
Trade payables	1,148	2,963	12	84
Amounts due to Group companies	-	-	790	2,194
Other payables	89	319	-	-
Tax and social security	588	886	-	-
Deferred income	7	39	-	1
Accruals	2,181	2,474	334	78
	4,013	6,681	1,136	2,357

The Directors consider that the carrying amounts of trade and other payables approximate their fair value.

Deferred income relates to retainer fees invoiced in advance and spread over the length of the period, typically quarterly. The balance at year-end was fully recognised in the following financial year.

Amounts due to Group companies are unsecured, interest free and repayable on demand.

24. Deferred consideration

Group	£'000
At 31 March 2021	1,996
Additions during the year:	-
Charged to Statement of Comprehensive Income	416
Paid during the year	-
At 31 March 2022	2,412
Additions during the year:	-
Charged to Statement of Comprehensive Income	173
Paid during the year	(464)
At 31 March 2023	**2,121**

The increase in deferred consideration in the year ended 31 March 2023 represents the fair value adjustment and unwinding of present value discount, offset by the payment made to the former shareholders of Harpsden Wealth Management Limited.

	31 Mar 2023 £'000	31 Mar 2022 £'000
Included in current liabilities	2,121	2,412
Included in non-current liabilities	-	-
	2,121	2,412

Deferred consideration relates to the acquisition of Harpsden and the maximum amounts payable over a two-year period. The following assumptions were made: revenue growth of 2%, attrition rate of 3% for larger clients and 10% for smaller clients, discount rate of 13.5%.

During the year £464k was paid to former shareholders of Harpsden Wealth Management Limited (Harpsden) in relation to the deferred consideration due. After the year-end further settlement to the former shareholders of Harpsden of £654k was made by way of share issue, see note 33 for further details.

25. Financial risk management

The fair value of all the Group's and the Company's financial assets and liabilities approximated to their carrying value at the reporting year-end date. The carrying amount of non-current financial instruments, including floating interest rate borrowing, are not significantly different from the fair value of these instruments based on discounted cash flows. The significant methods and assumptions used in estimating fair values of financial instruments are summarised below:

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include equity investments, other than those in subsidiary undertakings. In the case of listed investments, the fair value represents the quoted bid price at the reporting period end date. The fair value of unlisted investments is estimated by reference to recent arm's length transactions.

Other investments
Other investments include warrants and equity investments, categorised as fair value through profit or loss. In the case of listed investments, the fair value represents the quoted bid price at the reporting year-end date. The fair value of unlisted investments is estimated by reference to recent arm's length transactions. In the case of warrants, the fair value is estimated using established valuation models.

Trade receivables and payables
The carrying value less impairment provision of trade receivables and payables is assumed to approximate to their fair values due to their short-term nature.

Borrowings
Borrowings are measured at amortised cost using the effective interest rate method. The tables below summarise the Group's main financial instruments by financial asset type:

	31 March 2023		
Group	Amortised cost £'000	Fair value through profit or loss £'000	Total £'000
Financial assets			
Other investments	-	2,869	2,869
Trade and other receivables	4,179	-	4,179
Cash and cash equivalents	4,234	-	4,234
Financial liabilities			
Trade and other payables	3,418	-	3,418
Deferred consideration	2,121	-	2,121
Lease liability	612	-	612

	31 March 2022		
Group	Amortised cost £'000	Fair value through profit or loss £'000	Total £'000
Financial assets			
Investments	-	48	48
Other investments	-	4,877	4,877
Trade and other receivables	4,723	-	4,723
Cash and cash equivalents	6,446	-	6,446
Financial liabilities			
Trade and other payables	5,756	-	5,756
Deferred consideration	2,412	-	2,412
Lease Liability	1,375	-	1,375

25. Financial risk management (continued)

The tables below summarise the Company's main financial instruments by financial asset type:

	31 March 2023		
Company	Amortised cost £'000	Fair value through profit or loss £'000	Total £'000
Financial assets			
Trade and other receivables	14	-	14
Cash and cash equivalents	-	-	-
Financial liabilities			
Trade and other payables	346	-	346
Group balances	790	-	790

	31 March 2022		
Company	Amortised cost £'000	Fair value through profit or loss £'000	Total £'000
Financial assets			
Trade and other receivables	95	-	95
Cash and cash equivalents	1,246	-	1,246
Financial liabilities			
Trade and other payables	162	-	162
Group balances	2,194	-	2,194

Risks

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. Market risk comprises, interest rate risk and other price risk. The Directors review and agree policies for managing each of these risks which are summarised below:

Credit risk

Credit risk is the risk that clients or other counterparties to a financial instrument will cause a financial loss by failing to meet their obligations. Credit risk relates, in the main, to the Group's trading and investment activities and is the risk that third parties fail to pay amounts as they fall due. Formal credit procedures include approval of client limits, approval of material trades, collateral in place for trading clients and chasing of overdue accounts. Additionally, risk assessments are performed on banks and custodians.

The maximum exposure to credit risk at the end of the reporting period is equal to the statement of financial position figure. The impairment policy can be found in note 20. There were no other past due, impaired or unsecured debtors.

Financial assets that are neither past due nor impaired in respect of trade receivables relate mainly to accrued management fees.

The credit risk on liquid funds, cash and cash equivalents is limited due to deposits being held at the Group's main bank with a credit rating of "A", assigned by Standard and Poor's.

There has been no change to the Group's exposure to credit risk or the manner in which it manages and measures the risk during the period.

The credit risk in the Company principally comes from intercompany balances and subordinated loan. Since these are all within the Group, the Directors can closely monitor the risk of default on a regular basis to minimise any potential losses.

25. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that obligations associated with financial liabilities will not be met. The Group monitors its risk to a shortage of funds by considering the maturity of both its financial investments and financial assets (for example, trade receivables) and projected cash flows from operations.

The Group's objective is to maintain the continuity of funding using bank facilities where necessary, which are reviewed annually with the Group's Banker, the Bank of Scotland. Items considered are limits in place with counterparties which the bank are required to guarantee, payment facility limits, as well as the need for any additional borrowings.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	31 March 2023			
Group	Payable within 1 year £'000	Payable in 2 to 5 years £'000	Payable after more than 5 years £'000	Total contractual payments £'000
Trade and other payables	3,418	-	-	3,418
Lease liability	340	306	14	660
Deferred consideration	2,121	-	-	2,121
	5,879	306	14	6,199

	31 March 2022			
Group	Payable within 1 year £'000	Payable in 2 to 5 years £'000	Payable after more than 5 years £'000	Total contractual payments £'000
Trade and other payables	5,756	-	-	5,756
Lease liability	568	1,032	31	1,631
Deferred consideration	2,500	-	-	2,500
	8,824	1,032	31	9,887

25. Financial risk management (continued)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	31 March 2023			
Company	Payable within 1 year £'000	Payable in 2 to 5 years £'000	Payable after more than 5 years £'000	Total contractual payments £'000
Trade and other payables	346	-	-	346

	31 March 2022			
Company	Payable within 1 year £'000	Payable in 2 to 5 years £'000	Payable after more than 5 years £'000	Total contractual payments £'000
Trade and other payables	162	-	-	162

Market Risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates to the Group's amount of interest receivable on cash deposits. The maximum exposure for interest is not significant.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. Other investments are recognised at fair value and subject to changes in market prices.

The Group manages other price risk by monitoring the value of its financial instruments monthly and reporting these to the Directors and Senior Management. The Group has disposed of several of its investments during the year, which has helped mitigate risk. However, the risk of deterioration in prices remains high whilst the market continues to be volatile.

The risk of future losses is limited to the fair value of investments as at the year-end of £2,869k (FY22: £4,925k). See note 17 and 21.

25. Financial risk management (continued)

Fair value measurement recognised in the statement of financial position
The following table provides an analysis of financial instruments that are measured after initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 at fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 fair value measurements are those derived from inputs other than the quoted price included within Level 1 that are observable for the asset or a liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from formal valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The valuation technique used in determining the fair value is the Black Scholes model. The key inputs into this calculation are the share price as at 31 March 2022, exercise price, risk free interest rate and volatility which is based on the share price movements during the period 1 December 2021 to 31 March 2022.

	31 March 2023			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Unquoted equities	-	-	-	-
Financial instruments designated at fair value through profit or loss				
Quoted equities	-	-	-	-
Other investments (note 17 & 21)	2,049	-	820	2,869
Deferred consideration	-	-	(2,121)	(2,121)
Total	2,049	-	(1,301)	748

	31 March 2022			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Unquoted equities	701	-	48	749
Financial instruments designated at fair value through profit or loss				
Quoted equities	-	-	1	1
Other investments (note 17 & 21)	1,211	-	2,964	4,175
Deferred consideration	-	-	(2,412)	(2,412)
Total	1,912	-	601	2,513

26. Capital management

The capital of the Group comprises share capital, share premium, retained earnings and other reserves. The total capital at 31 March 2023 amounted to £13.8m for the Group (FY22: £15.4m) and £24.3m for the Company (FY22: £23.9m). The primary objective of the Group's capital management is to ensure that it maintains a strong capital structure to support the development of its business, to maximise shareholder value and to provide benefits for its other stakeholders.

These objectives are met by managing the level of debt and setting dividends paid to shareholders at a level appropriate to the performance of the business.

Certain activities of the Group are regulated by the FCA which is the statutory regulator for financial services business and has responsibility for policy, monitoring and discipline for the financial services industry. The FCA requires the Group's resources to be adequate, that is, sufficient in terms of quantity, quality and availability, in relation to its regulated activities.

The Group monitors capital on a daily basis by measuring movements in the Group regulatory capital requirement and through its Internal Capital Adequacy and Risk Assessment Process (ICARA), which was formerly through its Internal Capital Adequacy Assessment Process (ICAAP). Compliance with FCA minimum common equity tier 1 regulatory capital requirements was maintained during the year and the Group is satisfied that there is and will be, sufficient capital to meet these regulatory requirements for the foreseeable future.

27. Share capital and share premium account

	Number of shares £'000	Share capital £'000	Share premium £'000
As at 1 April 2021	62,022	3,101	18,983
Shares issued:			
On placing	64	3	31
Balance at 31 March 2022	62,086	3,104	19,014
Shares issued:			
On placing	225	12	-
Balance at 31 March 2023	62,311	3,116	19,014

At 31 March 2023 the total number of issued ordinary shares is 62.31 million shares of 5p each (FY22: 62.09 million shares of 5p each). 0.23 million shares were issued during the period (FY22: 0.06 million) in respect of vested employee share options.

28. Treasury shares

Group	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
At 31 March	900	644
Additions	193	256
At 31 March	1,093	900

At 31 March 2023 no shares in the Company were held in the EBT (FY22: nil shares) and the ESOT held 3,017,418 shares (FY22: 2,639,500), at a nominal value of 5p per share and represents the full balance above. This represents 4.84% of the called up share capital (FY22: 4.25%).

During the year the Company's Employee Share Option trust (ESOT) purchased the following ordinary shares in the Company:

Date of issue	Number of shares £'000	Nominal value £'000	Total consideration £'000
07-Apr-22	50,000	5p	22,500
04-May-22	50,000	5p	21,000
07-Jun-22	50,000	5p	19,425
06-Jul-22	50,000	5p	19,225
03-Aug-22	50,000	5p	18,250
07-Sep-22	50,000	5p	17,075
03-Oct-22	50,000	5p	14,925
25-Nov-22	50,000	5p	14,000
07-Dec-22	50,000	5p	14,500
17-Jan-23	50,000	5p	12,000
09-Feb-23	50,000	5p	11,000
13-Mar-23	50,000	5p	10,500

29. Employee Benefit Trusts (EBT)

The WH Ireland EBT was established in October 1998 and the WH Ireland Group plc Employee Share Ownership Trust (ESOT) was established in October 2011, both for the purpose of holding and distributing shares in the Company for the benefit of the employees. All costs of the EBT and ESOT are borne by the Company or its subsidiary WH Ireland Limited.

Joint Ownership Arrangements (the 'JOE Agreements') are in place in relation to 400,000 shares between the trustees of the ESOT and a number of employees (the 'Employees'). Under the JOE Agreements, the option for the Employees to acquire the interest that the trustees of the ESOT has in the jointly owned shares, lapses when an employee is deemed to be a Bad Leaver. If an Employee ceases to be an employee of the Group, other than in the event of critical illness or death, the Employee is deemed to be a Bad Leaver.

The shares carry dividend and voting rights though these have been waived by all parties to the JOE Agreements. Due to the consolidation of the ESOT into the Group accounts, these shares are shown in Treasury (note 28). Due to the nature of these arrangements, the options contained in the JOE Agreements are accounted for as share-based payments (note 30).

30. Share-based payments

The Group had two schemes for the granting of non-transferable options to employees during the reporting period; the approved Company Share Ownership Plan (CSOP) and a Save as You Earn Schemes (SAYE). In addition, options are held in the ESOT (note 29). Details of these schemes can be found in the Remuneration Report on pages 35 to 37. SAYE matures in July 2025.

Company Share Ownership Plan (CSOP)

Under the terms of the Unapproved Options, options over the Company's shares may be granted on a discretionary basis to employees and consultants of the Group (including Directors) at a price to be agreed between the Company and the relevant option holder. Under the terms of the options granted, such options vest on the third anniversary of the award dates; are exercisable at the market price at the time the option was issued and are exercisable for ten years after the vesting date.

Movements in the number of share options outstanding that were issued post 7 November 2002 and their related weighted average exercise prices (WAEP) are as follows:

	31 March 2023											
	CSOP		ESOT		ESOT		2019 LTIP		2020 EMI Option Plan		2022 EMI Option Plan	
	Options	WAEP	Options	WAEP	Options	WAEP	Options	WAEP	Options	WAEP	Options	WAEP
Outstanding at beginning of year	35,502	84.50p	350,000	74.50p	50,000	92.5p	1,800,000	45.00p	3,644,170	37.34p	-	-
Granted	-	-	-	-	-	-	-	-	-	-	2,678,568	46.00p
Expired / forfeited	(35,502)	84.50p	(100,000)	74.50p	-	-	(150,000)	45.00p	(260,416)	48.00p		-
Exercised	-	-	-	-	-	-	-	-	(447,393)	48.00p	-	-
Outstanding at end of year	-	0.00p	250,000	74.50p	50,000	92.50p	1,650,000	45.00p	2,936,361	44.45p	2,678,568	46.00p
Exercisable at end of year	-	0.00p	250,000	74.50p	50,000	92.50p	1,650,000	45.00p	2,936,361	44.45p	2,678,568	46.00p
WA Life*	-		0.50 yrs		3.01 yrs		7.10 yrs		10.68 yrs		9.32 yrs	

* WA Life represents the weighted average contractual life in years to the expiry date for options outstanding at the end of the year.

30. Share-based payments (continued)

	31 March 2022									
	CSOP		ESOT		ESOT		Unapproved Options		2020 EMI Option Plan	
	Options	WAEP	Options	WAEP	Options	WAEP	Options	WAEP	Options	WAEP
Outstanding at beginning of year	127,002	64.69p	350,000	74.50p	50,000	92.50p	1,800,000	45.00p	4,330,719	40.43p
Granted	-	-	-	-	-	-	-	-	387,929	25.78p
Expired / forfeited	(91,500)	57.00p	-	-	-	-	-	-	(1,074,478)	45.60p
Exercised	-	-	-	-	-	-	-	-	-	-
Outstanding at end of year	35,502	84.50p	350,000	74.50p	50,000	92.50p	1,800,000	45.00p	3,644,170	37.34p
Exercisable at end of year	35,502	84.50p	350,000	74.50p	50,000	92.50p	-	-	-	-
WA Life*	0.08 yrs		1.50 yrs		4.01 yrs		8.03 yrs		10.26 yrs	

* WA Life represents the weighted average contractual life in years to the expiry date for options outstanding at the end of the year.

The pricing models used to value these options and their inputs are as follows:

	Pricing Models					
	CSOP	ESOT	ESOT	2019 LTIP	2020 EMI Option Plan	2022 EMI Option Plan
Pricing model	Black Scholes	Monte Carlo	N/A	N/A	N/A	N/A
Date of grant	02/11/11-24/05/12	28/10/13-13/4/16	30/05/17	28/06/19 & 28/12/19	01/11/20 - 01/09/21	01/04/22 - 01/11/22
Share price at grant (p)	56.5-83.0	74.5-114.5	125	45.0 & 49.0	42.0-56.5	30.0-45.00
Exercise price (p)	57.0-84.5	0.0-114.5	-	45.0 & 49.0	0.0-58.0	42.0-48.0
Expected volatility (%)	32.6332-33.2130	43.0000-37.0000	N/A	50	50	21-22
Expected life (years)	5	5	3	3	1-3	3
Risk-free rate (%)	1.2993-.0.7999	0.8000-1.9300	N/A	2	5	1.38-3.22
Expected dividend yield (%)	-	0.67-2.19	N/A	N/A	N/A	N/A

31. Capital commitments

There were no capital commitments for the Group or the Company as at 31 March 2023 (FY22: £nil).

32. Related party transactions

Group
Services rendered to related parties were on the Group's normal trading terms in an arms' length transaction. Amounts outstanding are unsecured and will be settled in accordance with normal credit terms. No guarantees have been given or received. No provision (FY22: £nil) has been made for impaired receivables in respect of the amounts owed by related parties.

Key management personnel include Executive and Non-Executive Directors of WH Ireland Group plc and all its subsidiaries. They can undertake transactions in stocks and shares in the ordinary course of the Group's business, for their own account and are charged for this service, as with any other client. The transactions are not material to the Group in the context of its operations, but may result in cash balances on the Directors' client accounts owing to or from the Group at any one point in time. The charges made to these individuals and the cash balances owing from/due to them are disclosed in the table below. There are no other material contracts between the Group and the Directors.

No transactions occurred with key management personnel and other relates parties during the year ended 31 March 2023 or 31 March 2022.

The total compensation of key management personnel is shown below:

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Short-term employee benefits	2,528	3,784
Post-employment benefits	-	15
Termination benefits	-	443
Share-based payment	-	-
	2,528	4,242

The highest paid Director for 2023 was P Wale receiving emoluments of £470,868 (FY22: £468,325).

Company
The Parent Company receives interest from subsidiaries in the normal course of business. Total interest received during the year was £nil (FY22: £nil). In addition, the Parent Company received a management charge of £879k (FY22: £651k) from its subsidiary WH Ireland Limited. WH Ireland Limited also charged the Parent Company £nil (FY22: £nil) for broker services.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. The captions in the primary statements of the Parent Company include amounts attributable to subsidiaries. These amounts have been disclosed in aggregate in the notes 16, 20 and 23 and in detail in the following table:

	Amounts owed by related parties		Amounts owed to related parties	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Readycount Limited	-	-	-	-
Stockholm Investments Limited	-	-	-	-
WH Ireland Limited	-	-	478	1,882
Harpsden Wealth Management Limited	-	-	295	295
WH Ireland Trustee Limited	-	-	17	17
	-	-	790	2,194

The net amount owed to related parties is £790k (FY22: £2,194k owed by related parties) (see note 20 and 23).

33. Events after the reporting date

Placing
Following the year-end, as a result of the widely reported multi-year low level of transactional activity in the financial capital markets the Directors assessed it was unlikely there would be an improvement in CM transactions activity or an uplift in AUM within the WM division during the summer of 2023.

Discussions were held with the FCA and to ensure that, in the absence of the injection of further capital pursuant to the placing, the Company could deliver a solvent wind down for the Group, if required, in line with the Group's solvent wind down plan (SWDP). A solvent wind down plan is a plan drawn up in accordance with regulatory requirements to facilitate an orderly wind down of a regulated firm, as further described below. Due to adverse current and forecast trading and resultant losses, without further funding pursuant to the placing, the SWDP would have been required to be implemented on 31 July 2023. In total the placing raised gross proceeds of £5m by way of 166,666,667 ordinary shares at a price of 3p. The placing took place on 28 July 2023 and funds were received in August 2023.

To reduce costs, the Group has also commenced a collective consultation regarding headcount reduction. In addition, it is proposed that certain senior management team members would sacrifice a proportion of their salary in consideration of being awarded with options to subscribe, at nil cost, for such number of new ordinary shares at the placing price, as is equal to the amount of salary sacrificed. This programme is anticipated to reduce annual costs in the range of £3.75m to £4m. The full extent of the savings is anticipated to be realised during calendar year Q4 2023.

The Directors believe that the combination of the placing and the cost reduction exercise gives the Group an improved chance of returning to a break-even position and securing the future of the Group. Accordingly, the placing was undertaken to provide working capital, secure the current regulatory capital position and achieve a more stable financial position for the Group against the current market backdrop. Prior to the placing, the Board had actively explored asset sales. The Directors will assess the benefit of asset sales to shareholders should any future market opportunities arise.

Given the financial position of the Group and the timeframe within which funds needed to be raised (including for regulatory reasons), the placing shares were issued at a deep discount to the closing price on 27 July 2023. Since the placing price was lower than the current nominal value of the ordinary shares, the Group also proposed to carry out a sub-division of shares.

Settlement of deferred consideration
After the year-end further settlement to the former shareholders of Harpsden of £654k was made pursuant to the original agreement. The part settlement was made by way of share issue of 2,841,538 ordinary shares of 5p at an issue price of 23p per share on 19 April 2023.

Company information

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S N Lough
S J Jackson
P J Shelley (resigned 25 April 2022)
H R Sinclair
T F Wood

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