



WH Ireland<sup>®</sup>  
Group plc

Interim Report & Accounts  
September 2018

History.  
Craftsmanship.  
Expertise.



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[www.whirelandplc.com](http://www.whirelandplc.com)





# Welcome to WHIreland

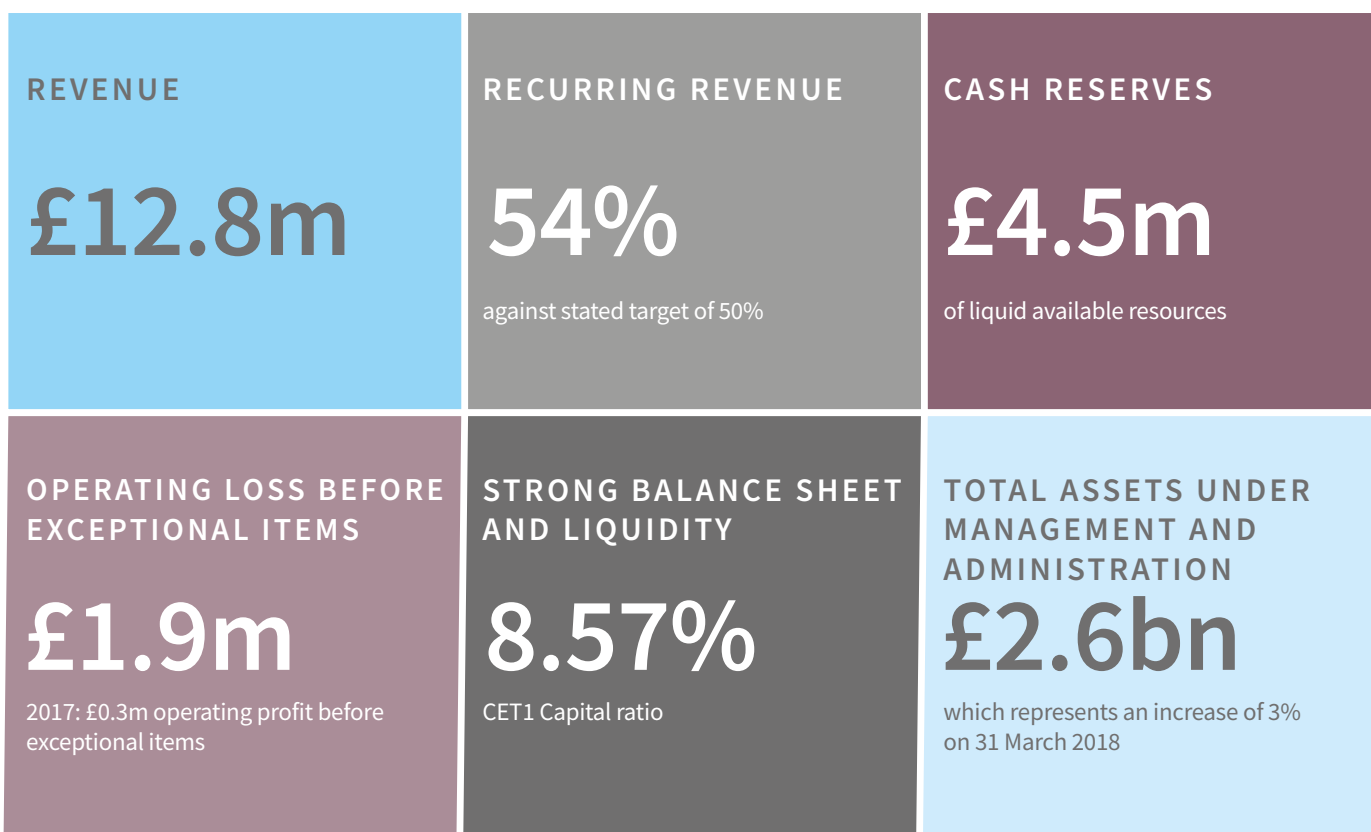
**WHIRELAND IS A FINANCIAL SERVICES COMPANY OFFERING PRIVATE WEALTH MANAGEMENT, WEALTH PLANNING AND CORPORATE AND INSTITUTIONAL BROKING SERVICES.**

We firmly believe that by placing our client needs at the centre of everything we do, WHIreland is well placed to provide timely, bespoke and accurate advice to a diverse range of clients.

Our Wealth Management division by offering a highly personal, bespoke service is able to provide timely advice and create long term relationships based on trust.

Our Corporate and Institutional Broking division provides Corporate Finance, Research, Market Making and fund raising capabilities to quoted small and mid-cap companies. We offer a full NOMAD service to the majority of our corporate clients.

## Financial overview

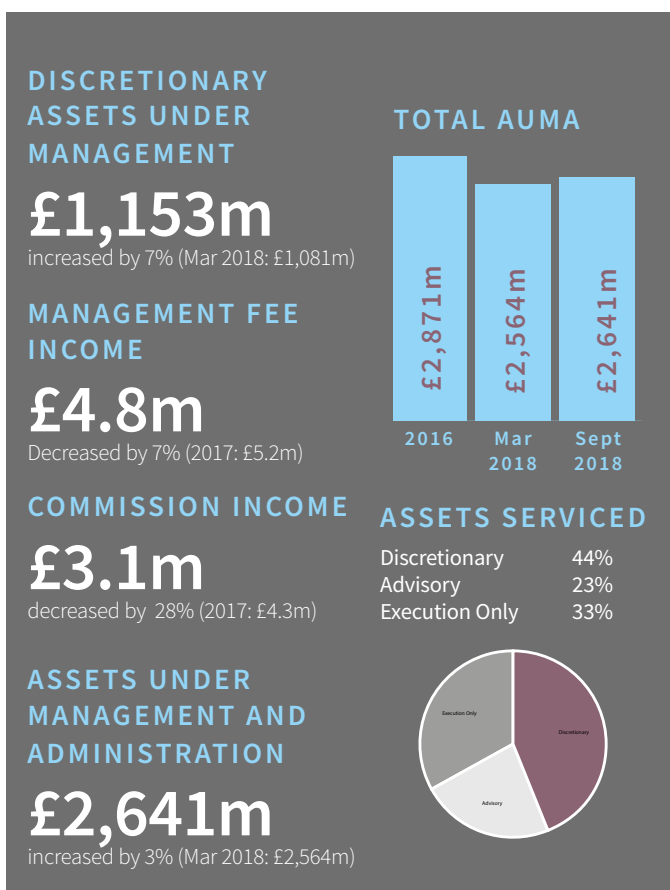


## Wealth Management

**WHIreland**  
WEALTH MANAGEMENT

## Corporate & Institutional Broking

**WHIreland**  
CORPORATE & INSTITUTIONAL BROKING



# Chairman's statement

This interim report covers the six month period to September 2018 and is the first since our decision to move our year-end to 31 March. The firm has continued to progress its transformation programme during this period in order to provide a more robust platform and enhance our offering to clients for the years ahead. As I have stated before, the scale of this process has not been without additional cost and labour, but is now closer to fulfilment.



Tim Steel, Chairman  
WH Ireland Group plc



The last two months of this period saw a number of important changes, building on the work undertaken in recent years.

Phillip Wale joined us as CEO (elect) from August 2018, with the FCA approving his appointment last month. Phillip has brought considerable experience to the Board of WH Ireland having held a number of senior positions in similar financial services businesses, which span both Wealth Management and Corporate and Institutional Broking, including senior positions at Goldman Sachs in both New York and London, and Chief Executive roles at Seymour Pierce and Panmure Gordon & Co.

The Group has also seen a strengthening of our core shareholder base during the period, with Polygon and Oceanwood agreeing to increase their stakes in the firm, alongside the welcome addition of M&G joining the key shareholder list.

## Private Wealth Management

We have previously described to shareholders the initiatives being undertaken across our Private Wealth Management business, including the focus on increasing discretionary assets under management and the outsourcing of our custody and operational functions.

The period under review saw further progress on both counts and whilst more needs to be done to improve the profitability of the division, I am encouraged by what has been achieved to date.

## Corporate & Institutional Broking

As has been widely reported, the Corporate & Institutional Broking division is operating in a market that has seen a high degree of uncertainty in recent months but importantly, the division has remained profitable for the period.

Notwithstanding this backdrop, we have undertaken a number of notable capital raisings and advisory roles in the period and I believe that we have established a business model which is positioned well to take advantage of the structural changes being brought about in our industry by the introduction of MiFID ii legislation.

The division is already benefiting from Phillip Wale's considerable experience in the short time since his appointment and will continue to provide a high quality of service to both our corporate and institutional clients as we grow, whether it be through advice, access to capital or trading capabilities.

## Looking forward

The Board continues to progress its transformation strategy and, following his appointment as CEO, Phillip has been tasked with delivering an accelerated path to growth and profitability of the Group, for the benefit of all of the Company's stakeholders. Fee income (CIB retainers, Private Wealth management and advice fees) is now running at approximately £1.3 million a month, representing nearly 55% of our total monthly revenue and provides a strong platform from which to continue to build. Whilst there remains much to be achieved, I believe that the foundations are being put in place to deliver growth across both divisions.

Finally, I would like to acknowledge on behalf of the Board and Senior Management team, the continued hard work and focus of all of our employees during the past six months.

# Chief Executive Officer's report

This is my first CEO's interim report, having joined the firm in August. The firm continues to undergo transformation to create a capable and robust platform that will enable the financial performance of the Group to grow significantly. These changes, started by my predecessor over the past two years, have covered all aspects of both the Private Wealth Management and Corporate & Institutional Broking businesses. Although close to conclusion, they have been expensive and not without challenge to implement.



Phillip Wale, CEO  
WH Ireland Group plc



## Private Wealth Management

The Private Wealth Management division increased total assets under management by 3% to £2.6bn as at 30 September 2018, compared to 31 March 2018. Following the strategic focus previously set out, it was pleasing to note that Discretionary AUM increased by almost 8% since the beginning of the financial year and accounted for nearly 44% of total AUM.

The division continued its transformation programme during the period under review, which has been both costly and challenging for the business but I am pleased to see the progress that has been achieved to date. One of the key initiatives being undertaken has been outsourcing our custody and operational functions and, as previously reported, this complex project has run over budget and taken longer to implement. However, looking forward, it has resulted in a more robust and scalable operating platform from which to build the division.

We have seen a number of successes in the period across the division.

*Wealth Management:* In addition to both growing the total AUM and proportion of Discretionary portfolios as referred to above, the business has also increased AUM for its 'Navigator' product for our clients with smaller portfolios.

*Wealth Planning:* has continued to attract new funds under management and is benefiting from cross-referrals from the wider Wealth Management business.

*Isle of Man:* has increased AUM through a number of new mandates.

We were delighted that a number of our investment people from across the division were included in the 2018 Citywire Wealth Manager Top 100 last month, a testament to the strength of the team.

## Outlook for Private Wealth Management

Following the significant investment made in the division in recent years, the key now is to ensure that we build on the platform in place to grow the business towards profitability. We will continue to look to increase the proportion of discretionary assets under management and attract high quality teams into the business in order to take advantage of the scalable platform which we now have in place.

## Corporate & Institutional Broking

The Corporate & Institutional Broking division (CIB) has continued to build on its solid foundations against the widely reported headwinds being seen across the sector. The division benefits from an experienced team, headed by Adam Pollock, with an attractive level of recurring revenue from its corporate retainer base and a proven track record in raising capital.

CIB has positively embraced the fundamental changes brought about by the introduction of MiFID ii at the beginning of the year and is seeing an increasing number of opportunities as a result of both our business model and approach to this new legislation. We have further invested in our platform for raising growth capital for private companies, whilst continuing to utilise resource from across the wider CIB division to complement the dedicated team when required.

## Public markets

Retainer income increased by 14% in the period. This was driven not only through a number of new quoted corporate clients moving to WH Ireland from our competition but also as a result of an increase in our average NOMAD/broker fees. The division secured five new corporate NOMAD/broker clients during the period under review and remained the third largest NOMAD to AIM companies by total number of clients.

# Chief Executive Officer's report

## CHIEF EXECUTIVE REPORT CONTINUED

A number of notable capital raises were undertaken in the period for our corporate clients and we were delighted to win the 'IPO of the year' category at the recent Insider Media North West Dealmakers awards.

A decline in institutional secondary volumes was seen in the period, although compared to other activities, this is a relatively small element of revenue across the division.

The business is benefiting from the fundamental changes brought about by MiFID II legislation due to the nature of our business model, a tight control of costs and ability to distribute research across the wider base of investment firms. This complementary approach, including working alongside larger firms to the benefit of corporate clients, is beginning to provide an increasing number of opportunities for the division.

### **Private markets**

In addition to our traditional public markets business within the Corporate & Institutional Broking division, our platform for raising growth capital for private companies from VCT and EIS funds, as well as through the 'Investor Forum', whose clients include High Net Worth Individuals and Family Offices, continues to make good progress. We believe that this platform has significant long-term potential for both the division and the Company.

### **Outlook for Corporate & Institutional Broking**

Against an uncertain market backdrop, the division is building an encouraging pipeline for 2019, the delivery of which, as always will be dependent upon market conditions. However, reflecting the opportunities we are beginning to see, and to ensure we take full advantage of structural changes being seen in the market, we are actively looking to recruit further high quality people into the division to grow the business over the coming years.

### **Events after the reporting period**

On 20 September 2018 the Company proposed a placing of 2,000,000 ordinary shares from its authorised share capital at an issue price of £1.00. This was approved at a General Meeting of the Company held on 9 October 2018.



# Consolidated Statement of Comprehensive Income

UNAUDITED FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2018

	Note	6 Months ended 30 Sept 2018 (unaudited) £'000	6 Months ended 30 Sept 2017 (unaudited) £'000
<b>Revenue</b>	2	12,817	14,514
Administrative expenses		(14,759)	(14,251)
<b>Operating (loss)/profit</b>		(1,942)	263
<b>Operating profit/(loss) before exceptional items</b>			
<i>Operating profit/(loss) before exceptional items</i>		(1,942)	263
<i>Exceptional items - MiFID ii</i>		-	(136)
- restructuring costs		(331)	(527)
- System Migration - Project Discovery		(177)	(870)
<b>Operating loss after exceptional items</b>		(2,450)	(1,270)
<b>Realised investment gains</b>			
Realised investment gains	2	296	148
Fair value gains on investments		24	171
Finance income		2	-
Finance expense	2	(8)	(9)
<b>Loss before tax</b>		(2,136)	(960)
Tax credit		-	149
<b>Loss and total comprehensive income for the period</b>		(2,136)	(811)
<b>Earnings per share</b>			
Basic	6	(7.15)p	(2.92)p
Diluted	6	(7.15)p	(2.92)p

# Consolidated Statement of Financial Position

UNAUDITED AS AT 30 SEPTEMBER 2018

	Note	As at 30 Sept 2018 (unaudited) £'000	As at 31 Mar 2018 (audited) £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		1,167	1,274
Goodwill		258	258
Intangible assets		3,326	3,425
Investments	3	315	245
Deferred tax asset		1,197	1,197
		6,263	6,399
<b>Current assets</b>			
Trade and other receivables		17,789	17,339
Corporation tax receivable		222	-
Trading investments	3	961	692
Cash and cash equivalents	4	4,526	7,277
		23,498	25,308
<b>Total assets</b>		<b>29,761</b>	<b>31,707</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		(15,988)	(15,744)
Corporation tax payable		-	-
Obligations under finance leases		(141)	(282)
Deferred consideration		(1,480)	(1,179)
Provisions for liabilities and charges		(10)	(33)
		(17,619)	(17,238)
<b>Non-current liabilities</b>			
Deferred tax liability		-	-
Accruals and deferred income		(385)	(439)
Deferred consideration		(879)	(1,123)
Provisions for liabilities and charges		(35)	(35)
		(1,299)	(1,597)
<b>Total liabilities</b>		<b>(18,918)</b>	<b>(18,835)</b>
<b>Total net assets</b>		<b>10,843</b>	<b>12,872</b>
<b>EQUITY</b>			
Share capital	5	1,493	1,493
Share premium		5,508	5,503
Available-for-sale reserve		-	7
Other reserves		982	982
Retained earnings		3,504	5,633
Treasury shares		(644)	(746)
<b>Total equity</b>		<b>10,843</b>	<b>12,872</b>

# Consolidated Statement of Cash Flows

UNAUDITED FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2018

	6 Months ended 30 Sept 2018 (unaudited) £'000	6 Months ended 30 Sept 2017 (unaudited) £'000
<b>OPERATING ACTIVITIES</b>		
Loss for the period	(2,136)	(811)
<b>Adjustments for</b>		
Depreciation, amortisation and impairment	349	239
Finance income	(2)	-
Finance expense	8	9
Taxation	-	(149)
Gain on sale of property, plant and equipment	-	19
Fair value gain in investments	(320)	(319)
Increase in trade and other receivables	(418)	(4,996)
Increase in trade and other payables	190	2,579
Decrease in provisions	(23)	-
Decrease/(increase) in trading investments	(269)	106
Net cash used in operations	(2,621)	(3,323)
Income taxes paid	-	-
<b>Net cash used in operating activities</b>	<b>(2,621)</b>	<b>(3,323)</b>
<b>INVESTING ACTIVITIES</b>		
Loss from the sale of property, plant and equipment	-	(19)
Proceeds from the sale of investments	641	484
Interest received	2	-
Acquisition of investments	(531)	(473)
Payment of deferred consideration	-	(285)
Increase in intangible fixed asset	-	-
Acquisition of property, plant and equipment	(143)	(289)
<b>Net cash used in investing activities</b>	<b>(31)</b>	<b>(582)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	5	98
Increase/(decrease) in treasury shares	102	(15)
Repayment of obligations under finance leases	(141)	(141)
Increase/(decrease) in deferred consideration	(57)	205
Interest paid	(8)	(9)
<b>Net cash generated from/(used in) financing activities</b>	<b>(99)</b>	<b>138</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,751)</b>	<b>(3,767)</b>
Cash and cash equivalents at beginning of period	7,277	11,006
<b>Cash and cash equivalents at end of period</b>	<b>4,526</b>	<b>7,239</b>

# Consolidated Statement of Changes in Equity

UNAUDITED FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2018

	Share capital £'000	Share premium £'000	Available for sale reserve £'000	Other reserves £'000	Retained earnings £'000	Treasury shares £'000	Total equity £'000
<b>AS AT 1 APRIL 2017</b>							
Balance at 1 April 2017	1,374	3,150	7	982	8,771	(731)	13,553
Loss and total comprehensive income for the period	-	-	-	-	(811)	-	(811)

## CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS

Deferred tax on employee share options	-	-	-	-	(36)	-	(36)
New share capital issued	18	80	-	-	-	(15)	83
Other movements	-	-	-	-	91	-	91
<b>Total contributions by and distributions to owners</b>	<b>18</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>(15)</b>	<b>138</b>
Balance at 30 September 2017	1,392	3,230	7	982	8,015	(746)	12,880

## AS AT 1 APRIL 2018

Balance at 1 April 2018	1,493	5,503	7	982	5,633	(746)	12,872
Transition adjustments - IFRS 9 Financial Instruments	-	-	(7)	-	7	-	-
As at 1 April 2018 (as restated)	1,493	5,503	-	982	5,640	(746)	12,872
Loss and total comprehensive income for the period	-	-	-	-	(2,136)	-	(2,136)

## CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS

Share options exercised	-	5	-	-	-	-	5
Other movements	-	-	-	-	-	102	102
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102</b>	<b>107</b>
Balance at 30 September 2018	1,493	5,508	-	982	3,504	(644)	10,843

# Notes to the consolidated statements (unaudited)

## 1. BASIS OF PREPARATION

### STATEMENT OF COMPLIANCE

The financial information in this interim report has been prepared in accordance with the disclosure requirements of the Alternative Investment Market (“AIM”) Rules and the recognition and measurements of International Financial Reporting Standards (“IFRS”), as adopted by the European Union (“EU”).

The interim report does not include all of the information required for full annual financial statements.

The accounting policies adopted by the Group in the preparation of its 2018 interim report are those which the Group currently expects to adopt in its annual financial statements for the year ending 31 March 2019 and are consistent with those disclosed in the annual financial statements for the period ended 31 March 2018.

The financial information in this interim report and accounts does not constitute the Company’s statutory accounts. The statutory accounts for the period ended 31 March 2018 have been delivered to the Registrar of Companies in England and Wales. The auditor has reported on those accounts. Its report was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006. The financial information for the half year ended 30 September 2018 and 30 September 2017 is unaudited.

The AIM Rules for Companies do not require IAS 34 “Interim Financial Reporting” to be applied; therefore it has not been used in the preparation of this interim report.

### SIGNIFICANT ACCOUNTING POLICIES

The same accounting policies, presentation and methods of computation are followed in these condensed set of financial statements as are applied in the Group’s latest audited Report and Accounts for the period ended 31 March 2018, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2018, and will be adopted in the 2019 annual financial statements. New standards impacting the Group that will be adopted in the annual financial statements for the year ending 31 March 2019, and which have given rise to changes in the Group’s accounting policies are:

- IFRS 9 Financial Instruments; and
- IFRS 15 Revenue from Contracts with Customers

Details of the impact these two standards have had are given below. Other new and amended standards and Interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Group as they are either not relevant to the Group’s activities or require accounting which is consistent with the Group’s current accounting policies.

#### *IFRS 9 Financial Instruments*

IFRS 9, implementation date 1 April 2018, has replaced IAS 39 Financial Instruments: Recognition and Measurement, and has impacted the Group in the following areas:

- A Principal Finance investment classified as an available for sale financial asset under IAS 39 Financial Instruments: Recognition and Measurement has now been classified as being at fair value through profit or loss under IFRS 9.
- The impairment provision on financial assets measured at amortised cost (such as trade and other receivables) calculated in accordance with IFRS 9’s expected loss provision, has not impacted the Group’s results given the historically low level of write off’s across the Group. Management have calculated the impairment provision to be of nil effect.

The Group has chosen not to restate comparatives on adoption of IFRS 9 and, therefore, both of these changes have been processed at the date of initial application (i.e. 1 January 2018) and presented in the statement of changes in equity for the 6 months to 30 September 2018.

#### *IFRS 15 Revenue from Contracts with Customers*

IFRS 15 has replaced IAS 18 Revenue and IAS 11 Construction Contracts as well as various interpretations previously issued by the IFRS Interpretations Committee. It has been adopted on its mandatorily effective date, and applied on a retrospective basis, recognising the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings, of which there was nil. There has been no material change to the way the Group recognises revenue.

# Notes to the consolidated statements (unaudited)

## 1. BASIS OF PREPARATION CONTINUED

### GOING CONCERN

The financial information in this interim report and accounts has been prepared on a going concern basis. In making this assessment, the Directors have prepared detailed financial forecasts for the period to March 2021 which consider the funding and capital position of the Group. 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 Financial Conduct Authority (FCA) which is the statutory regulator for financial services business in the UK and 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 daily basis and they have developed appropriate scenario tests and corrective management plans which they are prepared to implement to address any potential deficit as required. These actions may include cost reductions, regulatory capital optimisation programs or further capital raising. The Directors consider that, taking account of foreseeable downside risks, regulatory capital requirements will continue to be met.

As mentioned in Note 8, the Group announced that it had raised £2m in September 2018. This will ensure that the Group has sufficient resources in place to satisfy the FCA's present capital adequacy requirements.

The Directors most recently renewed the Group's banking facilities in February 2015. As an evergreen facility there is no requirement to update the agreement annually, although a formal review of facilities is undertaken at least annually.

### EXCEPTIONAL COSTS

#### *Project Discovery*

As announced on 2 June 2016, the Group has entered into a seven year agreement with SEI Investments (Europe) Ltd, to outsource its Wealth Management back office operations and move to a "Model B" arrangement. This function was previously performed out of the Group's Manchester office. Significant investment has been made in both internal and external resources which have been dedicated to this project ("Project Discovery"). Some of the duplicate costs are still being borne by the Group and this has had a negative impact on the results for the current period.

#### *Restructuring*

During the period ended 30 September 2018 there were a number of changes within the senior management team. The costs of these changes, in respect of both short term consultancy costs and fixed employment related costs, are considered by the Board to be non-trading and exceptional in nature.

# Notes to the consolidated statements (unaudited)

## 2. SEGMENTAL REPORTING

### THE GROUP HAS TWO OPERATING SEGMENTS

The Private Wealth Management division offers investment management advice and services to individuals and contains the Group's Wealth Planning business, giving advice on and acting as intermediary for a range of financial products. The Corporate & Institutional Broking division provides corporate finance and corporate broking advice and services to companies and acts as Nominated Adviser to clients listed on AIM. It also contains the Group's 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.

The segment "Other Group companies" includes WH Ireland Group plc, WHIreland (IOM) Limited, Readycount Limited and Stockholm Investments Limited.

All segments are located in the UK or the Isle of Man. Each reportable segment has a segment manager who is directly accountable to, and maintains regular contact with, the CEO.

No customer represents more than ten percent of the Group's revenue.

The following tables represent revenue and profit information for the Group's business segments.

	Private Wealth Management £'000	Corporate & Institutional Broking £'000	Head Office £'000	Other Group companies £'000	Group £'000
<b>6 MONTHS ENDED 30 SEPTEMBER 2018</b>					
<b>REVENUE</b>	8,124	4,176	-	517	12,817
Segment result	(2,162)	(311)	-	23	(2,450)
Executive Board cost	264	264	(630)	102	-
Gain on sale of property, plant and equipment	-	-	-	-	-
Realised investment gains	-	296	-	-	296
Fair value gains on investments	-	24	-	-	24
Finance income	-	-	2	-	2
Finance expense	(6)	(2)	-	-	(8)
<b>(Loss)/profit before tax</b>	<b>(1,904)</b>	<b>271</b>	<b>(628)</b>	<b>125</b>	<b>(2,136)</b>
Tax income/(expense)	-	-	-	-	-
<b>(Loss)/profit for the period</b>	<b>(1,904)</b>	<b>271</b>	<b>(628)</b>	<b>125</b>	<b>(2,136)</b>

	Private Wealth Management £'000	Corporate & Institutional Broking £'000	Head Office £'000	Other Group companies £'000	Group £'000
<b>6 MONTHS ENDED 30 SEPTEMBER 2017</b>					
<b>REVENUE</b>	9,421	4,701	-	392	14,514
Segment result	(1,293)	(58)	-	100	(1,251)
Executive Board cost	129	129	(356)	98	-
Loss on sale of property, plant and equipment	-	-	-	(19)	(19)
Realised investment gains	-	148	-	-	148
Fair value gains on investments	-	171	-	-	171
Finance income	-	-	-	-	-
Finance expense	(7)	(2)	-	-	(9)
<b>(Loss)/profit before tax</b>	<b>(1,171)</b>	<b>388</b>	<b>(356)</b>	<b>179</b>	<b>(960)</b>
Tax income/(expense)	202	(40)	-	(13)	149
<b>(Loss)/profit for the period</b>	<b>(969)</b>	<b>348</b>	<b>(356)</b>	<b>166</b>	<b>(811)</b>

# Notes to the consolidated statements (unaudited)

## 3. INVESTMENTS

	As at 30 Sept 2018 £'000	As at 31 Mar 2018 £'000
<b>INVESTMENTS</b>		
Fair value: unquoted	48	48
Fair value: quoted	1	1
Fair value: warrants	266	196
<b>Total Investments</b>	<b>315</b>	<b>245</b>

Quoted and unquoted investments include equity investments other than those in subsidiary undertakings. Warrants may be received during the ordinary course of business; there is no cash consideration associated with the acquisition.

Fair value, in the case of quoted investments, represents the bid price at the reporting 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.

	As at 30 Sept 2018 £'000	As at 31 Mar 2018 £'000
<b>TRADING INVESTMENTS</b>		
Listed investments	961	692
<b>Total</b>	<b>961</b>	<b>692</b>

Investments are measured at fair value, which is determined directly by reference to published prices in an active market where available.

Available for sale assets are restated from IAS 39.

## 4. CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS

For the purposes of the statement of cash flows, 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 money and money held for settlement of outstanding transactions.

Money held on behalf of clients is not included in the statement of financial position. Client money at 30 September 2018 was £0.9m (31 March 2018: £9.5m). This decrease reflects the effect of the transfer of assets to SEI (Europe) Ltd.

## 5. SHARE CAPITAL

The total number of authorised ordinary shares is 34.5 million shares of 5p each (31 March 2018: 34.5 million). The total number of issued ordinary shares is 29.9 million shares of 5p each (31 March 2018: 29.9million).



# Notes to the consolidated statements (unaudited)

## 6. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit 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 and held as treasury shares.

Diluted EPS is the basic EPS, adjusted for the effect of conversion into fully paid shares of the weighted average number of all dilutive employee share options outstanding during the period. At 30 September 2018: nil (30 September 2017: nil) options were excluded from the EPS calculation as they were anti-dilutive. In a period 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.

Reconciliation of the earnings and weighted average number of shares used in the calculations are set out below.

	As at 30 Sept 2018 £'000	As at 30 Sept 2017 £'000
Weighted average number of shares in issue during the period	29,864	27,720
Effect of dilutive share options	1,152	1,394
	<b>31,016</b>	29,114
	<b>£'000</b>	£'000
Earnings attributable to ordinary shareholders	(2,136)	(811)
<b>BASIC EPS</b>		
Continuing operations	(7.15)p	(2.92)p
<b>DILUTED EPS</b>		
Continuing operations	(7.15)p	(2.92)p

## 7. DIVIDENDS

No interim dividend has been paid or proposed in respect of the current financial period (2017: nil).

## 8. EVENTS AFTER THE REPORTING PERIOD

On 20 September 2018 the Company proposed a placing of 2,000,000 ordinary shares from its authorised share capital at an issue price of £1.00. This was approved at a General Meeting of the Company held on 9 October 2018.

# Independent review report to WHIreland Group PLC

## INTRODUCTION

We have been engaged by the WH. Ireland Group plc to review the financial information in the interim report and accounts for the six months ended 30th September 2018 which comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity and related notes.

We have read the other information contained in the interim report and accounts report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

## DIRECTORS' RESPONSIBILITIES

The interim report and accounts, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report and accounts in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the interim report and accounts be presented and prepared in a form consistent with that which will be adopted in the Group's annual accounts having regard to the accounting standards applicable to such annual accounts.

## OUR RESPONSIBILITY

Our responsibility is to express to the Group a conclusion on the financial information in the interim report and accounts based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the Group in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the financial information in the interim report and accounts for the six months ended 30th September 2018 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

BDO LLP  
Chartered Accountants  
London  
28 November 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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