

WH IRELAND



Interim Results

30 September 2021



Helping you see the bigger picture

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Financial highlights*

Revenue increased 38% to

£17.5m

(2020 H1: £12.7m)

45% increase in cash

£8.4m

(2020 H1: £5.8m)

Group regulatory capital ratio at

18.4%

(2020 H1: 15.1%)

Earnings per share
(basic from continuing operations)

0.55p

(2020 H1: 0.96p)

Profit before tax
(from continuing operations)

£0.3m profit

(2020 H1: £0.5m)

Underlying profit before tax increased 83%
(from continuing operations)

£1.1m

(2020 H1: £0.6m)

Group AUM 41% increase to
(from continuing operations)

£2.4bn

(2020 H1: £1.7bn)

Underlying earnings per share*
(basic from continuing operations)

1.87p

(2020 H1: 1.32p)

*A reconciliation from underlying profits to statutory profits is shown within the Chief Executive's statement on page 5.

*The comparative information for the period end 30 September 2020 has been reclassified to reflect the correct loss on discontinued operations, together with a reclassification of investment gains to revenue as laid out in the report and accounts year ending 31 March 2021. See note 1 for further information.

Chair's statement

Review and Outlook

The first half of the financial year has seen WH Ireland continue to grow, improve the quality of its business and invest to ensure that momentum continues. A year on year increase in underlying profitability has been achieved despite the costs of the continuing integration of Harpsden and further investment in people. The 23% organic growth in Discretionary Funds Under Management is also pleasing. Net inflows (excluding market performance) were £43.4m, which is encouraging, especially as we believe the continued integration of Harpsden will allow Wealth Management to further develop and improve its proposition to its customers into the future.

We have now largely completed the transfer of the Harpsden assets to our wealth management platform (SEI) with minimal attrition. The expertise we have gained from this complex process prepares us well for further acquisitions. We have also established a systematic approach to our wealth management acquisition pipeline, with support from our Capital Markets division, to ensure we are well placed for our target market. Whilst larger acquisitions have continued to attract significant interest from a range of market participants, the smaller opportunities remain attractive, particularly for us given the potential for synergies as we transfer assets onto our platform. However, we remain patient to ensure we generate significant value from each acquisition.

Our Capital Markets division has shown real progress across a number of fronts, all of which point to the improvement in quality we are seeking. The number of companies who rely on us for advice and distribution has continued to grow and has now reached 86 from just 80 a year ago. We successfully completed four IPOs making us one of the leading AIM IPO advisers and we completed one of our largest ever placings in September 2021. We re-launched our Investor Forum in September 2021 which allows our high net worth clients ("HNW") to participate in our Public and Private offerings, and over 300 HNWs have already signed up. This further reinforces, what we believe is a key point of differentiation, namely our ability to distribute to HNW and Ultra HNW individuals.

Philip Shelley
Chair



I am also delighted that we have attracted significant talent in the first half. This has included two new Board members, Helen Sinclair and Tom Wood, both of whom bring experience and valuable expertise in areas very important to WH Ireland. Our new CFO, Simon Jackson, is already making good progress in a number of areas as we continue to drive efficiencies as we grow. His experience, gained as Brooks Macdonald grew to its current size, is already very evident. The arrival of a new Head of Wealth Planning, Steve Pennington, will allow us to pursue our stated aim of greater penetration of financial planning through the whole business as we strive to lead our proposition with the very best wealth planning capability whilst providing independent financial advice and product selection.

There remains much work to do in order for us to achieve our collective ambitions for both businesses, but we have made progress towards the £3bn Discretionary Funds under Management target. We are now very focused on seeing the benefits of this increased scale fall through to the margin. We have also made good progress towards the £20m revenue target from our Capital Markets division while improving the overall quality of that revenue.

Chief Executive's statement

Overview

WH Ireland has continued to make progress in the first half of this financial year despite the ongoing issues of the Covid pandemic. We have made a cautious return to our offices and again I thank all our employees, clients, customers, and business partners for their support. During this period we have invested in the business and enhanced our control framework, while maintaining a return to profitability. Investment in our Capital Markets division has been made in Healthcare, Climate Aligned Capital, HNW & Family Office distribution and Private Growth Capital segments as well as in Wealth Planning. We remain focused to ensure that we retain the benefits of last year's first profitable year in five years, especially the retention of our people; and pursuing opportunities to grow both sides of our business and grow our customer base.

Six Months to 30 September 2021

The start of the financial year was very different from that faced in 2020. Given our hybrid working model, a market still in turmoil created by the Covid-19 pandemic and UK markets that have underperformed those of the US and Asia in recovery terms, I still believe we are performing well. Our employees once again showed great flexibility and maintained a seamless service to all our clients. The investment in new people and teams within Capital Markets, has continued, despite tougher market conditions than the second half of last year. Wealth Management continued its successful drive to improve quality of earnings with an increase in the proportion of its assets under discretionary management, and by fully integrating its first acquisition, Harpsden Wealth Management Limited. Overall revenue for the Group rose 38% to £17.5m (2020 H1 restated: £12.7m) and our underlying profit before tax increased to £1.1m (2020: £0.6m) whilst our statutory profit for the period was £0.3m (2020 H1 restated: £0.5m).

Underlying profit before tax is considered by the Board to be a more 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 a non-cash operating item. Reporting at an underlying basis is also considered more appropriate for external analyst coverage and peer group benchmarking, allowing a more accurate like-for-like comparison. A reconciliation between underlying and statutory profit before tax for the six months ended 30 September 2021, with comparatives is shown in the following table:



Phillip Wale
CEO

£m	6m to 30 Sept 2021	6m to 30 Sep 2020	12m to 31 Mar 2021
Underlying profit before tax	1.10	0.65	1.68
<u>Acquisition related items</u>			
Deal restructuring and integration costs	0.40	-	0.46
Amortisation of acquired brand and client relationships	0.22	0.06	0.22
Changes in fair value and finance cost of deferred consideration	0.31	-	-
<u>Other items</u>			
Dual running platform costs	-	0.01	0.04
Restructuring costs	0.30	0.11	0.13
Net changes in the value of non-current investment assets	(0.46)	-	(0.22)
Statutory profit before tax	0.33	0.47	1.05

Clients

Our clients are at the heart of everything that we do. Our central mission is to provide excellent service to our corporate, institutional, and private clients, and this remains our priority. I would like to take the opportunity to thank all our clients for their loyalty and patience as we have worked through the inevitable disruption from the scale and pace of change we have instigated this year.

It was pleasing to see from our annual client satisfaction survey that our discretionary managed clients have awarded us higher ratings this year, with marked progress amongst our wealthiest clients, brand perception and the transparency of our services and costs.

Further efficiencies within our infrastructure has given WH Ireland a platform that we believe is able to provide the quality of service that will differentiate us in the future, and which has shown it is sufficiently robust to successfully navigate challenges and embrace growth within the business.

Chief Executive's statement

Staff

We continue to encourage excellence within the Group, and we continue to attract new individuals and teams across both divisions. I thank all our members of staff for their commitment and hard work in the past year as they managed the uncertainty and challenges of the ever-changing working model while maintaining client service as a priority. Group headcount, excluding non-executive directors is now 142, increased from 124 in September 2020, which includes the 17 additional staff that joined with the Harpsden acquisition.

We have also strengthened our Wealth Management division with the appointment of Steve Pennington. Steve joined WH Ireland in November 2021 as Director, Head of Wealth Planning. His previous role was at Arbuthnot Latham & Co. Limited where he led the transformation and integration of their Wealth Planning proposition. He is a Chartered Financial Planner, Fellow of the Personal Finance Society and Chartered FCSI.

Shareholders

I am delighted with the support, both in terms of capital investment and guidance, received from our major shareholders and thank them and the new investors who have joined and supported WH Ireland in this period.

Capital

The first half of this year has seen total equity increase to £15.7m (H1 2020: £8.6m). Cash at the period end was £8.4m which has increased 45% over the year (H1 2020: £5.8m). The Group has no debt.

Wealth Management (WM)

This has been a pivotal year for the Wealth Management division. Following a year of cost reduction, legacy system elimination and control framework improvement, coupled with the rationalisation of non-optimal teams and offices and the repricing of the WM offerings, the division was able to grow AUM with the acquisition of Harpsden Wealth Management Limited ("Harpsden"). The team at Harpsden has developed, what we believe is an excellent business with professionalism and care. It brought both £250m of discretionary assets and a profitable business that, once the integration is complete, we believe will provide clients with even better value products and pricing.

Total Group assets under management have increased to £2.4bn (H1 2020: £1.7bn) including £1.6bn in WM. Discretionary managed assets increased by £460m including £250m from the Harpsden acquisition, a rise over the year of 67% to £1.2bn (H1 2020: £0.7bn).

Total revenue has increased to £7.8m (H1 2020: £6.2m) with management fees of £6.7m (H1 2020: £4.6m) representing 86% of revenue (H1 2020: 75%)

Capital Markets (CM)

The Capital Markets division strengthened its position as a top five broker and top three Nominated Adviser to AIM companies, by client numbers. Good progress in client numbers reflects the focus placed on our target of advising 100 corporate clients by March 2024. This will be an important step in delivering a business that can consistently deliver revenue of over £20m a year. During the first half of the year this division welcomed 9 new clients, increasing its number of retained corporate clients to 86 (H1 2020: 80) increasing retained revenue to £1.8m (H1 2020: £1.6m). Gross transaction fees grew to £6.7m (H1 2020: £3.5m) as the team completed 20 transactions raising £193m for clients (H1 2020: 32 and £104m respectively). This included four successful IPO transactions in the period. Commission income fell slightly over the period to £1.2m (H1 2020: £1.4m)

Looking forward

The year has started well with the final stages of the Harpsden integration proceeding better than we had expected and with the Capital Markets division continuing the progress it made last year despite a more challenging trading environment.

Following the good start reported today, we expect to see continued momentum in the business albeit in somewhat more challenging markets.

Independent Auditor's review

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the interim financial report for the six months ended 30 September 2021 which comprises the Consolidated statement of comprehensive income, Consolidated statement of financial position, consolidated statement of cash flows Consolidated statement of changes in equity and the notes on pages 12 to 17. We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim financial report, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing and presenting the interim financial report in accordance with the AIM Rules for Companies.

As disclosed in note 1, the annual financial statements of the Group will be prepared in accordance with UK-adopted International Accounting Standards. The condensed set of financial statements included in this interim financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as contained in UK-adopted International Accounting Standards.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the interim financial report based on our review.

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 Auditing Practices Board 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 condensed set of financial statements in the interim financial report for the six months ended 30 September 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting" as contained in UK-adopted International Accounting Standards, and the AIM Rules for Companies.

Use of our report

This report is made solely to the Company 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 Auditing Practices Board. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

6 December 2021

Consolidated statement of comprehensive income

	Note	6 months ended 30 Sep 2021 (unaudited) £'000	6 months ended 30 Sep 2020* (unaudited) £'000	12 months ended 31 Mar 2021 (audited) £'000
Continuing operations				
Revenue	2	17,502	12,717	29,559
Administrative expenses		(16,823)	(12,188)	(28,418)
Operating profit		679	529	1,141
<i>Operating profit before exceptional items:</i>				
		1,021	757	1,757
<i>Exceptional items</i>				
		(342)	(228)	(616)
<i>Operating profit after exceptional items</i>				
		679	529	1,141
Finance income		-	2	2
Finance expense	5	(354)	(63)	(96)
Profit before tax		325	468	1,047
Tax income		-	-	192
Profit from continuing operations		325	468	1,239
Loss from discontinued operations		-	(86)	(86)
Profit and total comprehensive income for the year		325	382	1,153
Earnings per share				
From continuing operations				
Basic	7	0.55p	0.96p	2.47p
Diluted		0.49p	0.96p	2.07p
From discontinued operations				
Basic		-	(0.18p)	(0.17p)
Total				
Basic		0.55p	0.78p	2.30p
Diluted		0.49p	0.78p	1.93p

*Comparative figures have been reclassified to reflect the correct loss on discontinued operations and to reflect the reclassification of realised gains to revenue for the six months to 30 September 2020.

Consolidated statement of financial position

	Note	30 Sep 2021 (unaudited) £'000	30 Sep 2020 (unaudited) £'000	31 Mar 2021 (audited) £'000
ASSETS				
Non-current assets				
Intangible assets		4,512	696	4,764
Goodwill		3,539	-	3,539
Property, plant and equipment		376	618	511
Investments	3	1,783	1,986	1,099
Right of use asset		1,377	2,203	1,603
Deferred tax asset		190	-	190
		11,777	5,503	11,706
Current assets				
Trade and other receivables		5,652	4,355	5,156
Other investments	3	1,675	1,726	2,490
Cash and cash equivalents	4	8,377	5,849	8,211
		15,704	11,930	15,857
Total assets		27,481	17,433	27,563
LIABILITIES				
Current liabilities				
Trade and other payables		(7,001)	(6,054)	(7,623)
Lease liability		(516)	(765)	(552)
Deferred consideration	5	(1,291)	-	(1,087)
		(8,808)	(6,819)	(9,262)
Non-current liabilities				
Lease liability		(1,224)	(1,981)	(1,506)
Deferred tax liability		(772)	-	(799)
Deferred consideration	5	(1,011)	-	(909)
		(3,007)	(1,981)	(3,214)
Total liabilities		(11,815)	(8,800)	(12,476)
Total net assets		15,666	8,633	15,087
Capital and reserves				
Share capital	6	3,001	2,335	3,001
Share premium		19,083	14,414	19,083
Other reserves		981	981	981
Retained earnings		(6,755)	(8,453)	(7,334)
Treasury shares		(644)	(644)	(644)
Shareholders' funds		15,666	8,633	15,087

Signed on behalf of the board

P A Wale

6 December 2021

Consolidated statement of cash flows

	Note	6 months ended 30 Sep 2021 (unaudited) £'000	6 months ended 30 Sep 2020* (unaudited) £'000	12 months ended 31 Mar 2021 (audited) £'000
Operating activities:				
Profit/(loss) for the period:				
Continuing operations		325	468	1,239
Discontinuing operations		-	(86)	(86)
		325	382	1,153
Adjustments for:				
Depreciation, amortisation and impairment		611	647	1,242
Finance income		-	(2)	(2)
Finance expense		354	63	96
Tax		-	-	(196)
Non-cash adjustment for share option charge		254	-	90
(Increase)/ decrease in trade and other receivables		(951)	2,056	1,815
(Decrease)/ increase in trade and other payables		(55)	1,536	2,602
Decrease/(increase) in current asset investments	3	815	(869)	(1,706)
(Increase) in non-current asset investments	3	(839)	(1,303)	-
Net cash generated from operations		514	2,510	5,094
Income taxes received/(paid)		-	-	-
Net cash inflows from operating activities		514	2,510	5,094
Investing activities:				
Cost on disposal of subsidiary undertaking		-	(90)	(90)
Interest received		-	2	3
Investment in subsidiary		-	-	(4,765)
Acquisition of property, plant and equipment		(4)	(75)	(201)
Net cash used in investing activities		(4)	(163)	(5,053)
Finance activities:				
Proceeds from issue of share capital		-	-	5,335
Lease liability payments		(344)	(232)	(898)
Interest paid		-	-	(1)
Net cash (used)/gained in financing activities		(344)	(232)	4,436
Net increase in cash and cash equivalents		166	2,115	4,477
Cash and cash equivalents at beginning of period		8,211	3,734	3,734
Cash and cash equivalents at end of period		8,377	5,849	8,211

*Comparative figures have been reclassified to reflect the correct loss on discontinued operations and to reflect the reclassification of realised gains to revenue for the six months to 30 September 2020.

Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Treasury shares £'000	Total equity £'000
Balance at 1 April 2020	2,335	14,414	981	(8,580)	(644)	8,506
Profit and total comprehensive income for the period	-	-	-	382	-	382
Employee share option scheme	-	-	-	-	-	-
Other movements	-	-	-	(255)	-	(255)
Balance at 30 September 2020	2,335	14,414	981	(8,453)	(644)	8,633
Profit and total comprehensive income for the period	-	-	-	771	-	771
Employee share option scheme	-	-	-	90	-	90
New share capital issued	666	4,669	-	-	-	5,335
Other movements	-	-	-	258	-	258
Balance at 31 March 2021	3,001	19,083	981	(7,334)	(644)	15,087
Balance at 1 April 2021	3,001	19,083	981	(7,334)	(644)	15,087
Profit and total comprehensive income for the year	-	-	-	325	-	325
Employee share option scheme	-	-	-	254	-	254
Other movements	-	-	-	-	-	-
Balance at 30 September 2021	3,001	19,083	981	(6,755)	(644)	15,666

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 AIM, a market operated by the London Stock Exchange Group plc. The address of its registered office is 24 Martin Lane, London, EC4R 0DR.

Basis of preparation

The condensed financial statements in this interim report for the six months to 30 September 2021 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. This report has been prepared on a going concern basis and should be read together with the Group's annual consolidated financial statements as at and prepared to 31 March 2021 in accordance with International Accounting Standards in accordance with the requirements of the Companies Act 2006.

The accounting policies, presentation and methods of computation adopted by the Group in the preparation of its 2021 interim report are those which the Group currently expects to adopt in its annual financial statements for the year ending 31 March 2022 which will be prepared in accordance with United Kingdom Adopted International Financial Reporting Standards and are consistent with those adopted in the audited annual Report and Accounts for the period ended 31 March 2021.

The financial information in this report does not constitute the Company's statutory accounts. The statutory accounts for the period ended 31 March 2021 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 six months to 30 September 2021 are unaudited (six months to 30 September 2020: unaudited).

At the time of approving this interim report, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore the directors continue to adopt the going concern basis of accounting in preparing this report.

Exceptional costs

These are considered by the Board to be non-trading and exceptional in nature. This includes costs relating to the transfer of assets from Harpsden and other one-off costs

Finance expense

Included within finance expenses is the fair value measurement arising on deferred consideration payments from the acquisition of Harpsden together with the associated net finance costs.

Comparative period reclassification

As reported in the Annual Report and Accounts for the year ended 31 March 2021 the loss from discontinued operations relating to the sale of WH Ireland (IOM) Limited was £86k. Therefore the profit of £51k from discontinued operations included in the six months to 30 September 2020 has been reclassified. As a result continued operations were understated by £137k for the six months ended 30 September 2020. The consolidated statement of comprehensive income has been reclassified to reflect the correct treatment. There was no impact to total comprehensive income and retained earnings. The reclassification has impacted the consolidated statement of comprehensive income, the consolidated statement of cash flow, the segment table for the six months to 30 September 2020 in note 2 and the earnings per share on continuing and discontinued operations for the six months to 30 September 2020 in note 7. As also reported in the Annual Report and Accounts for the year ended 31 March 2021 realised investment gains were included in revenue. The realised investment gains of £366k have therefore been moved to revenue for the six months to 30 September 2020. There was no impact to total comprehensive income and retained earnings. The reclassification has impacted the consolidated statement of comprehensive income, the consolidated statement of cash flow, the segment table for the six months to 30 September 2020 in note 2 and the earnings per share on continuing and discontinued operations for the six months to 30 September 2020 in note 7.

2. Segment information

The Group has two principal operating segments, Wealth Management (WM) and Capital Markets (CM). The WM division 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. The CM division provides corporate finance and corporate broking advice and services to companies and acts as Nominated Adviser (Nomad) to clients traded on 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.

All 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.

Notes to the financial statements

2. Segment information (continued)

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

The majority of the Group's revenue originates within the UK.

The following tables represent revenue and cost information for the Group's business segments:

	Wealth Management	Capital Markets	Group and consolidation adjustments	Group
6 months ended 30 Sep 2021 (unaudited)	£'000	£'000	£'000	£'000
Revenue	7,800	9,702	-	17,502
Direct costs	(6,352)	(7,269)	-	(13,621)
Contribution	1,448	2,433	-	3,881
Indirect costs	(1,614)	(795)	(374)	(2,783)
Underlying profit/(loss) before tax	(166)	1,638	(374)	1,098
Acquisition related costs	(405)	-	-	(405)
Amortisation of acquired brand and client relationships	(218)	-	-	(218)
Changes in fair value and finance cost of deferred consideration	(306)	-	-	(306)
Restructuring costs	(194)	(102)	-	(296)
Net changes in the value of non-current investment assets	-	452	-	452
Profit/(loss) before tax	(1,289)	1,988	(374)	325
Tax	-	-	-	-
Profit/(loss) for the year	(1,289)	1,988	(374)	325

	Wealth Management	Capital Markets	Group and consolidation adjustments	Less Discontinued Operations**	Group (continuing operations)
6 months ended 30 Sep 2020* (unaudited)	£'000	£'000	£'000	£'000	£'000
Revenue	6,151	6,460	590	(484)	12,717
Direct costs	(5,222)	(4,857)	(432)	570	(9,941)
Contribution	929	1,603	158	86	2,776
Indirect costs	(1,385)	(513)	(233)	-	(2,131)
Underlying profit/(loss) before tax	(456)	1,090	(75)	86	645
Amortisation of acquired client relationships	(61)	-	-	-	(61)
Dual running operating platform costs	(10)	-	-	-	(10)
Restructuring costs	(75)	(31)	-	-	(106)
Profit/(loss) before tax	(602)	1,059	(75)	86	468
Tax	-	-	-	-	-
Profit/(loss) for the year	(602)	1,059	(75)	86	468

* These figures have been reclassified to reflect the correct loss on discontinued operations and to reflect the reclassification of realised gains to revenue for the six months to 30 September 2020.

** Discontinued operations relate to WH Ireland (IOM) Limited

Notes to the financial statements

2. Segment information (continued)

12 months ended 31 Mar 2021 (audited)	Wealth Management £'000	Capital Markets £'000	Group and consolidation adjustments £'000	Less Discontinued Operations £'000	Group (continuing operations) £'000
Revenue	13,291	16,285	467	(484)	29,559
Direct costs	(10,272)	(11,736)	(569)	570	(22,007)
Contribution	3,019	4,549	(102)	86	7,552
Indirect costs	(3,099)	(1,312)	(1,459)	-	(5,870)
Underlying profit/(loss) before tax	(80)	3,237	(1,561)	86	1,682
Acquisition related costs	(465)	-	-	-	(465)
Amortisation of acquired client relationships	(218)	-	-	-	(218)
Dual running operating platform costs	(35)	-	-	-	(35)
Restructuring costs	(91)	(38)	-	-	(129)
Net changes in the value of non-current investment assets	-	212	-	-	212
Profit/(loss) before tax	(889)	3,411	(1,561)	86	1,047
Tax	2	-	190	-	192
Profit/(loss) for the year	(887)	3,411	(1,371)	86	1,239

3. Investments

	As at 30 Sep 2021 £'000	As at 30 Sep 2020 £'000	As at 31 Mar 2021 £'000
Investments			
Fair value: unquoted	48	48	48
Fair value: quoted	1	1	1
Fair value: warrants	1,734	1,937	1,050
Total investments	1,783	1,986	1,099

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. These investments are included in non-current assets.

	As at 30 Sep 2021 £'000	As at 30 Sep 2020 £'000	As at 31 Mar 2021 £'000
Trading investments			
Listed investments	1,675	1,726	2,490

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

Notes to the financial statements

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 2021 was £0.4m (30 September 2020: £0.4m; 31 March 2021: £0.4m).

5. Deferred consideration

	As at 30 Sep 2021	As at 30 Sep 2020	As at 31 Mar 2021
At beginning of period	1,996	-	-
Additions	-	-	1,996
Finance expense of deferred consideration	208	-	-
Change in fair value	98	-	-
Balance at end of period	2,302	-	1,996
<i>Analysed as:</i>			
Included in current liabilities	1,291	-	1,087
Included in non-current liabilities	1,011	-	909
Balance at end of period	2,302	-	1,996

Deferred consideration relates to the acquisition of Harpsden Wealth Management Limited 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%. The total cash consideration of £2.5m was recognised at its fair value of £2m on acquisition.

During the six months ended 30 September 2021, the fair value of the estimated deferred consideration for Harpsden Wealth Management Limited was revalued by £98k due to the estimated timing of when the consideration will fall due. During the six months ended 30 September 2021 the Group also recognised a finance expense of £208k on the deferred consideration. The fair value of the Harpsden deferred consideration at 30 September 2021 was £2.3m. The two deferred consideration payments of £1.25m each are payable in December 2021 and December 2022 respectively.

6. Share capital

The total number of ordinary shares in issue is 62.05 million (30 September 2020: 48.70 million; 31 March 2021: 62.02 million).

Notes to the financial statements

7. 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 2021: 6.48m (30 September 2020: nil; 31 March 2021: 6.48m) 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 Sep 2021	As at 30 Sep 2020*	As at 31 Mar 2021
Weighted average number of shares in issue during the period ('000)	58,690	48,704	50,249
Effect of dilutive share options (thousands)	7,162	-	9,614
	65,852	48,704	59,862
Profit from continuing operations	325	468	1,239
Basic EPS	0.55p	0.96p	2.47p
Diluted EPS	0.49p	0.96p	2.07p
Loss from discontinuing operations	-	(86)	(86)
Basic EPS	-	(0.18p)	(0.17p)
Total profit	325	382	1,153
Basic EPS	0.55p	0.78p	2.30p
Diluted EPS	0.49p	0.78p	1.93p

*Comparative figures have been reworked as a result of the reclassification of the loss on discontinued operations for the six months to 30 September 2020.

8. Dividends

No interim dividend has been paid or proposed in respect of the current financial period (30 September 2020: nil; 31 March 2021: nil).

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