

Company Registration No. 05105933 (England and Wales)

A & J WEALTH MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

A & J WEALTH MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	Mr G S Jones Mr J S S Posgate Mr G J Frisby Mr S Hartley Mr J E Moore Mr A B Hughes
Secretary	Miss L J Furnell
Company number	05105933
Registered office	Sawfords Bigfrith Lane Cookham Dean Maidenhead Berkshire United Kingdom SL6 9PH
Auditor	Azets Audit Services The Mill House Boundary Road Loudwater High Wycombe Buckinghamshire United Kingdom HP10 9QN

A & J WEALTH MANAGEMENT LIMITED

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A & J WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair review of the business

The company provides independent financial planning linked to the provision of advisory and discretionary management of bespoke managed investment portfolios for private clients, charities and corporate clients.

The company is directly regulated by the Financial Conduct Authority.

During the year ended 31 March 2021 the subsidiary company, Malcolm Purrell Financial Planning Limited, has closed and all business transferred to the parent company. In addition, Mr S Hartley acquired from the company 100% ownership of Redwood Business Insurance Services Limited.

Mr S Hartley ceases to be a shareholder and director of A & J Wealth Management Limited. As a result of this, the company is no longer involved in the provision of general insurance for commercial and private clients. In the future it will act as an introducer to Redwood Business Insurance Services Ltd. This will allow the company and directors to focus on the expansion and profitability of its core business.

The company runs its own investment committee with the infrastructure to run its own bespoke model portfolios which are all risk rated and a separate suite of ESG risk rated portfolios. The committee and oversight have been enhanced by the addition of two senior appointments within this part of the company's activities.

The delivery of a good risk-based investment solution remains essential to the development and growth of the business meeting customers' investment objectives.

During the period the company has expanded its group investment proposition in the following areas:

- Expanded its tactical and strategic asset allocation models to support and enhance the investment services to its financial planning clients (increased range of ESG/sustainable portfolios).
- Established a White Label Investment Strategy for UK advisers that do not have the resources to run their own investment solution (equally increasing range of ESG/sustainable portfolios).
- Expanded the range of investment solutions available to potential clients. Principally to establish a technology driven solution to incorporating independent financial planning. Investment management, Private Banking Solutions incorporating bespoke structured investment and tax solutions incorporating geared and Lombard lending.

The group will deliver a proprietary direct equity investment solution in the second quarter of 2021 to enhance the proposition to the above activities.

These strategic developments enable the company to focus on three principal core activities; financial planning, investment management and white labelling.

The principal risk to the business during the first quarter increased materially primarily due to the COVID-19 pandemic and the immediate world equity market volatility and equity capital deterioration.

Total funds under management (FUM) fell a further 13% in the first quarter. Economies were closed and sectors reliant on and open flexible economies suffered. Technology driven solutions prospered. The investment committee reduced exposure to suffering sectors and increased in second quarter technology solutions. This was further increased with regional asset allocation to emerging markets and fixed interest.

Productivity proved successful and delivered great outcomes to client portfolios.

Inflation and a reversion to value/cyclical stocks has been witnessed in the first quarter of 2021 and the investment committee remain active to navigate changing environments to ensure investment outcomes remain positive for the company's investment clients.

COVID-19 remains a threat with uncertain outcomes and associated risks. The directors remain confident that adequate steps have been taken to protect the company's financial security.

A & J WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Key performance indicators

The group results for the year ended 31 March 2021 compared to the year ended 31 March 2020 reflected a very volatile 12 months largely influenced by the COVID-19 pandemic. This was without question a challenging time for the group.

Turnover for the year ended 31 March 2021 was £4,285,948 (2020: £4,268,455) resulting in profit before taxation of £568,605 (2020: £476,666) and delivering a profit after taxation of £490,366 (2020: £393,808) to shareholders.

Total Shareholders' funds in the Group as at 31 March 2021 were £863,215 (2020: £817,654).

The capital adequacy cover for the Group as at 31 March 2021 was £497,870 (2020 £475,915).

FUM fell heavily in the first quarter of the year. Equity markets around the world reacted negatively to the COVID-19 pandemic. The overall average fall in our total funds was 13.76%. The key and positive attribute to the year's trading was the significant reallocation of client funds through strategic investment decisions that the group's investment committee adopted.

The group's principal source of revenue is periodic asset-based fees. The group is paid to manage funds and make decisions which it did to the financial benefit of its client base. Due to the successful reallocation of the group's portfolios, incorporating asset and regional changes, the average portfolio values over the last 12 months increased by 28.70% and increased by a further 5.02% in the first quarter of the new financial year. This is testament to the proactive investment solution for the group's investment management clients.

The company is well placed to continue to expand its strategic plan where focus will continue in relation to investment management. During the year, an additional investment manager has been employed. A further two senior investment managers will join the group first quarter 2021 and expansion of the white labelling service will be focused upon.

Principally with the anticipated delivery of the company's proprietary direct equity investment solution, the potential appeal to smaller intermediaries with no investment solution will increase immeasurably.

A new custodial platform will be approved during the first quarter of the new financial year which will further expand our investment capability and services. Direct banking and Lombard lending will also be included in the increased capability of services that we could not provide previously.

This new custodial provider will bridge the gap between retail and institutional dealing capabilities which the company previously did not have or could offer.

Group FUM increased from £331 million to £404 million during the year ended 31 March 2021. The increase in FUM was predominantly based upon the active reorganisation of asset and regional investment structures for its model portfolios.

The capital adequacy cover for the Group as at 31 March 2021 was 1.73 times of the required liquid capital (2020: 1.10).

During the year, the company undertook a purchase of its own shares in respect of 2,309 £1 ordinary shares at a cost of £650,000.

During the year, the company has embarked on a structural strengthening of its core infrastructure which has been completed to accommodate the expansion of the strategies already explained. Despite this we managed to increase the group's profit before taxation by 19.29%.

The board does not anticipate or expect to see a significant increase in its overall cost base in the foreseeable future due to the heavy commitment and resource outlay that has incurred during the last 12 months.

A & J WEALTH MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board

Mr G S Jones

Director

27 July 2021

A & J WEALTH MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company and group continued to be that of carrying out the business of an independent financial advisor and pensions administrator.

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £161,855. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr G S Jones
Mr J S S Posgate
Mr G J Frisby
Mr S Hartley
Mr J E Moore
Mr A B Hughes

Auditor

Azets Audit Services were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr G S Jones
Director

27 July 2021

A & J WEALTH MANAGEMENT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

A & J WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF A & J WEALTH MANAGEMENT LIMITED

Opinion

We have audited the financial statements of A & J Wealth Management Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

A & J WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A & J WEALTH MANAGEMENT LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

A & J WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A & J WEALTH MANAGEMENT LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A & J WEALTH MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF A & J WEALTH MANAGEMENT LIMITED

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.

Paul Laird FCCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

27 July 2021

Chartered Accountants
Statutory Auditor

The Mill House
Boundary Road
Loudwater
High Wycombe
Buckinghamshire
United Kingdom
HP10 9QN

A & J WEALTH MANAGEMENT LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	4,285,948	4,268,445
Cost of sales		(108,424)	(9,823)
Gross profit		4,177,524	4,258,622
Administrative expenses		(3,665,770)	(3,720,294)
Other operating income		33,373	3,240
Operating profit	4	545,127	541,568
Interest receivable and similar income	8	740	417
Interest payable and similar expenses	9	(36,751)	(53,838)
Amounts written off investments	10	59,489	(11,481)
Profit before taxation		568,605	476,666
Tax on profit	11	(78,239)	(82,858)
Profit for the financial year		490,366	393,808

Profit for the financial year is all attributable to the owners of the parent company.

A & J WEALTH MANAGEMENT LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Profit for the year	490,365	393,808
Other comprehensive income	-	-
Total comprehensive income for the year	<u>490,365</u>	<u>393,808</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

A & J WEALTH MANAGEMENT LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	13		-		293,135
Tangible assets	14		859,175		890,294
Investments	15		1		1
			<u>859,176</u>		<u>1,183,430</u>
Current assets					
Debtors	18	1,512,224		1,584,013	
Investments	19	311,259		2,770	
Cash at bank and in hand		411,092		266,598	
		<u>2,234,575</u>		<u>1,853,381</u>	
Creditors: amounts falling due within one year	20	(2,193,874)		(2,163,605)	
Net current assets/(liabilities)			<u>40,701</u>		<u>(310,224)</u>
Total assets less current liabilities			<u>899,877</u>		<u>873,206</u>
Creditors: amounts falling due after more than one year	21		(36,662)		(54,169)
Provisions for liabilities					
Deferred tax liability	23	-	-	1,383	(1,383)
Net assets			<u>863,215</u>		<u>817,654</u>
Capital and reserves					
Called up share capital	25		20,669		21,303
Share premium account			628,513		263,138
Capital redemption reserve			7,659		5,350
Profit and loss reserves			206,374		527,863
Total equity			<u>863,215</u>		<u>817,654</u>

The financial statements were approved by the board of directors and authorised for issue on 27 July 2021 and are signed on its behalf by:

Mr G S Jones
Director

A & J WEALTH MANAGEMENT LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		859,175		878,023
Investments	15		201		655,525
			<u>859,376</u>		<u>1,533,548</u>
Current assets					
Debtors	18	1,511,079		1,390,571	
Investments	19	311,259		2,770	
Cash at bank and in hand		407,493		45,373	
		<u>2,229,831</u>		<u>1,438,714</u>	
Creditors: amounts falling due within one year	20	(2,190,674)		(1,854,652)	
Net current assets/(liabilities)			<u>39,157</u>		<u>(415,938)</u>
Total assets less current liabilities			<u>898,533</u>		<u>1,117,610</u>
Creditors: amounts falling due after more than one year	21		(36,662)		(54,169)
Net assets			<u><u>861,871</u></u>		<u><u>1,063,441</u></u>
Capital and reserves					
Called up share capital	25		20,669		21,303
Share premium account			628,513		263,138
Capital redemption reserve			7,659		5,350
Profit and loss reserves			205,030		773,650
Total equity			<u><u>861,871</u></u>		<u><u>1,063,441</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £243,236 (2020 - £125,613 profit).

The financial statements were approved by the board of directors and authorised for issue on 27 July 2021 and are signed on its behalf by:

Mr G S Jones
Director

Company Registration No. 05105933

A & J WEALTH MANAGEMENT LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		13,968	272,298	3,525	966,215	1,256,006
Year ended 31 March 2020:						
Profit and total comprehensive income for the year		-	-	-	393,808	393,808
Bonus issue of shares	25	9,160	(9,160)	-	-	-
Dividends	12	-	-	-	(107,160)	(107,160)
Own shares acquired		-	-	-	(725,000)	(725,000)
Redemption of shares	25	(1,825)	-	1,825	-	-
Balance at 31 March 2020		21,303	263,138	5,350	527,863	817,654
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	490,366	490,365
Issue of share capital	25	1,675	365,375	-	-	367,150
Dividends	12	-	-	-	(161,855)	(161,855)
Own shares acquired		-	-	-	(650,000)	(650,000)
Redemption of shares	25	(2,309)	-	2,309	-	-
Balance at 31 March 2021		20,669	628,513	7,659	206,374	863,215

A & J WEALTH MANAGEMENT LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		13,968	272,298	3,525	1,480,197	1,769,988
Year ended 31 March 2020:						
Profit and total comprehensive income for the year		-	-	-	125,613	125,613
Bonus issue of shares	25	9,160	(9,160)	-	-	-
Dividends	12	-	-	-	(107,160)	(107,160)
Own shares acquired		-	-	-	(725,000)	(725,000)
Redemption of shares	25	(1,825)	-	1,825	-	-
Balance at 31 March 2020		21,303	263,138	5,350	773,650	1,063,441
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	243,235	243,235
Issue of share capital	25	1,675	365,375	-	-	367,050
Dividends	12	-	-	-	(161,855)	(161,855)
Own shares acquired		-	-	-	(650,000)	(650,000)
Redemption of shares	25	(2,309)	-	2,309	-	-
Balance at 31 March 2021		20,669	628,513	7,659	205,030	861,871

A & J WEALTH MANAGEMENT LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	30	544,565		489,975	
Interest paid		(36,751)		(53,838)	
Income taxes paid		(97,076)		(262,671)	
Net cash inflow from operating activities		410,738		173,466	
Investing activities					
Proceeds on disposal of intangibles		286,142		-	
Purchase of tangible fixed assets		(42,791)		(107,645)	
Proceeds on disposal of tangible fixed assets		11,483		30,736	
Proceeds on disposal of subsidiaries		189,494		387,517	
Proceeds on disposal of fixed asset investments		-		(1)	
Proceeds from other investments and loans		(249,000)		281,834	
Interest received		740		417	
Net cash generated from investing activities		196,068		592,858	
Financing activities					
Proceeds from issue of shares		367,050		-	
Redemption of shares		(2,309)		(1,825)	
Purchase of own shares		(647,691)		(723,175)	
Payment of finance leases obligations		(17,507)		34,940	
Dividends paid to equity shareholders		(161,855)		(107,160)	
Net cash used in financing activities		(462,312)		(797,220)	
Net increase/(decrease) in cash and cash equivalents		144,494		(30,896)	
Cash and cash equivalents at beginning of year		266,598		297,494	
Cash and cash equivalents at end of year		411,092		266,598	

A & J WEALTH MANAGEMENT LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	31	609,477		415,323	
Interest paid		(34,485)		(52,403)	
Income taxes paid		(77,965)		(208,515)	
Net cash inflow from operating activities		497,027		154,405	
Investing activities					
Purchase of tangible fixed assets		(38,326)		(101,187)	
Proceeds on disposal of tangible fixed assets		-		30,736	
Proceeds on disposal of subsidiaries		655,324		387,517	
Proceeds on disposal of fixed asset investments		(85,485)		-	
Proceeds from other investments and loans		(249,000)		281,833	
Dividends received		44,892		42,000	
Net cash generated from investing activities		327,405		640,899	
Financing activities					
Proceeds from issue of shares		367,050		-	
Redemption of shares		(2,309)		(1,825)	
Purchase of own shares		(647,691)		(723,175)	
Payment of finance leases obligations		(17,507)		34,940	
Dividends paid to equity shareholders		(161,855)		(107,160)	
Net cash used in financing activities		(462,312)		(797,220)	
Net increase/(decrease) in cash and cash equivalents		362,120		(1,916)	
Cash and cash equivalents at beginning of year		45,373		47,289	
Cash and cash equivalents at end of year		407,493		45,373	

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

A & J Wealth Management Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Sawfords, Bigfrith Lane, Cookham Dean, Maidenhead, Berks., England, SL6 9PH.

The group consists of A & J Wealth Management Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company A & J Wealth Management Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Straight line over 50 years
Leasehold improvements	Straight line over 10 years
Fixtures and fittings	Straight line over 4 years
Computers	Straight line over 3-4 years
Motor vehicles	Straight line over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Freehold buildings are depreciated to write down the cost less residual value over their remaining useful life by equal instalments. The freehold building is maintained to such a high standard that its fair value is not less than its cost no depreciation has been charged. The amount of depreciation that would have been charged for the year is not material.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Commission received	3,448,623	3,475,496
Management fees	272,563	235,640
Insurance brokerage fees	564,762	557,309
	<u>4,285,948</u>	<u>4,268,445</u>

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue (Continued)

	2021	2020
	£	£
Other significant revenue		
Interest income	740	417
Grants received	31,213	-
	<u>31,213</u>	<u>-</u>

4 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(31,213)	-
Depreciation of owned tangible fixed assets	61,359	47,724
Loss/(profit) on disposal of tangible fixed assets	1,068	(30,735)
Amortisation of intangible assets	56,264	49,927
Profit on disposal of intangible assets	(238,764)	-
Operating lease charges	69,062	89,875
	<u>69,062</u>	<u>89,875</u>

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	41,360	22,200
Audit of the financial statements of the company's subsidiaries	30,100	26,400
	<u>71,460</u>	<u>48,600</u>
For other services		
Other assurance services	11,100	9,000
Taxation compliance services	6,286	3,360
Other taxation services	9,423	7,099
All other non-audit services	13,832	12,334
	<u>40,641</u>	<u>31,793</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group	2020	Company	2020
2021	2020	2021	2020
Number	Number	Number	Number
42	45	32	31
<u>42</u>	<u>45</u>	<u>32</u>	<u>31</u>

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	1,851,742	1,884,369	1,604,268	1,366,300
Social security costs	220,475	200,912	193,306	146,553
Pension costs	179,773	97,678	134,626	56,588
	<u>2,251,990</u>	<u>2,182,959</u>	<u>1,932,200</u>	<u>1,569,441</u>

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	537,905	603,453
Company pension contributions to defined contribution schemes	29,767	15,500
	<u>567,672</u>	<u>618,953</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	396,400	349,500
Company pension contributions to defined contribution schemes	14,767	3,000
	<u>411,167</u>	<u>352,500</u>

8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	493	417
Other interest income	247	-
	<u>740</u>	<u>417</u>

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8	Interest receivable and similar income	(Continued)	
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	493	417
		<u> </u>	<u> </u>
9	Interest payable and similar expenses	2021	2020
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	22,396	24,629
	Other interest on financial liabilities	12,089	10,645
		<u> </u>	<u> </u>
		34,485	35,274
	Other finance costs:		
	Interest on finance leases and hire purchase contracts	-	15,341
	Other interest	2,266	3,223
		<u> </u>	<u> </u>
	Total finance costs	36,751	53,838
		<u> </u>	<u> </u>
10	Amounts written off investments	2021	2020
		£	£
	Gain/(loss) on disposal of investments held at fair value	59,489	(11,481)
		<u> </u>	<u> </u>
11	Taxation	2021	2020
		£	£
	Current tax		
	UK corporation tax on profits for the current period	77,966	82,513
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	273	345
		<u> </u>	<u> </u>
	Total tax charge	78,239	82,858
		<u> </u>	<u> </u>

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	568,604	476,666
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	108,035	90,567
Tax effect of expenses that are not deductible in determining taxable profit	12,817	59,663
Permanent capital allowances in excess of depreciation	8,303	(3,230)
Amortisation on assets not qualifying for tax allowances	(50,916)	(64,142)
Taxation charge	78,239	82,858

12 Dividends

	2021 £	2020 £
Recognised as distributions to equity holders:		
Interim paid	161,855	107,160

13 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 April 2020	472,670
Disposals	(472,670)
At 31 March 2021	-
Amortisation and impairment	
At 1 April 2020	179,535
Amortisation charged for the year	56,264
Disposals	(235,799)
At 31 March 2021	-
Carrying amount	
At 31 March 2021	-
At 31 March 2020	293,135

The company had no intangible fixed assets at 31 March 2021 or 31 March 2020.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Tangible fixed assets

Group	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2020	765,349	12,444	230,648	165,890	79,995	1,254,326
Additions	-	-	11,797	30,994	-	42,791
Disposals	-	(12,444)	(90,051)	(7,583)	-	(110,078)
At 31 March 2021	765,349	-	152,394	189,301	79,995	1,187,039
Depreciation and impairment						
At 1 April 2020	-	12,444	207,012	124,577	19,999	364,032
Depreciation charged in the year	-	-	17,325	24,033	20,001	61,359
Eliminated in respect of disposals	-	(12,444)	(79,873)	(5,210)	-	(97,527)
At 31 March 2021	-	-	144,464	143,400	40,000	327,864
Carrying amount						
At 31 March 2021	765,349	-	7,930	45,901	39,995	859,175
At 31 March 2020	765,349	-	23,636	41,313	59,996	890,294
Company						
	Freehold land and buildings £		Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2020	765,349		146,212	161,222	79,995	1,152,778
Additions	-		7,332	30,994	-	38,326
At 31 March 2021	765,349		153,544	192,216	79,995	1,191,104
Depreciation and impairment						
At 1 April 2020	-		131,684	123,072	19,999	274,755
Depreciation charged in the year	-		13,930	23,243	20,001	57,174
At 31 March 2021	-		145,614	146,315	40,000	331,929
Carrying amount						
At 31 March 2021	765,349		7,930	45,901	39,995	859,175
At 31 March 2020	765,349		14,528	38,150	59,996	878,023

Freehold land and buildings with a carrying amount of £765,349 (2019 - £765,349) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	16	-	-	200	655,524
Unlisted investments		1	1	1	1
		<u>1</u>	<u>1</u>	<u>201</u>	<u>655,525</u>

Movements in fixed asset investments Group

Investments
other than
loans
£

Cost or valuation

At 1 April 2020 and 31 March 2021

1

Carrying amount

At 31 March 2021

1

At 31 March 2020

1

Movements in fixed asset investments Company

Shares in group
undertakings

Other
investments
other than
loans
£

Total

Cost or valuation

At 1 April 2020

655,524

1

655,525

Valuation changes

(438,970)

-

(438,970)

Disposals

(216,354)

-

(216,354)

At 31 March 2021

200

1

201

Carrying amount

At 31 March 2021

200

1

201

At 31 March 2020

655,524

1

655,525

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Malcolm Purrell Financial Planning Limited	1	Independent Financial Advisors	Ordinary	100.00	0
MPFP Limited	1	Dormant	Ordinary	100.00	0

Registered Office addresses:

1 Sawfords, Bigfrith Lane, Cookham Dean, Maidenhead, Berks, England, SL6 9PH

17 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	311,259	2,770	311,259	2,770

18 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	94,121	26,175	94,121	25,904
Corporation tax recoverable	-	16,069	-	-
Amounts owed by group undertakings	-	-	1,137	70,320
Other debtors	1,219,327	1,398,046	1,219,327	1,173,496
Prepayments and accrued income	198,776	143,723	196,494	120,851
	1,512,224	1,584,013	1,511,079	1,390,571

19 Current asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Unlisted investments	311,259	2,770	311,259	2,770

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Creditors: amounts falling due within one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Obligations under finance leases	22	17,507	17,507	17,507	17,507
Trade creditors		90,061	225,364	90,061	29,619
Amounts owed to group undertakings		-	-	100	122,217
Corporation tax payable		77,727	111,250	77,412	88,409
Other taxation and social security		65,289	46,894	64,704	38,631
Other creditors		1,600,201	1,427,815	1,600,201	1,247,471
Accruals and deferred income		343,089	334,775	340,689	310,798
		<u>2,193,874</u>	<u>2,163,605</u>	<u>2,190,674</u>	<u>1,854,652</u>

21 Creditors: amounts falling due after more than one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Obligations under finance leases	22	36,662	54,169	36,662	54,169
		<u>36,662</u>	<u>54,169</u>	<u>36,662</u>	<u>54,169</u>

22 Finance lease obligations

		Group 2021	2020	Company 2021	2020
		£	£	£	£
Future minimum lease payments due under finance leases:					
Within one year		17,507	17,507	17,507	17,507
In two to five years		36,662	54,169	36,662	54,169
		<u>54,169</u>	<u>71,676</u>	<u>54,169</u>	<u>71,676</u>

Finance lease payments represent rentals payable by the company for motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Group		
Accelerated capital allowances	-	1,383

The company has no deferred tax assets or liabilities.

	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 1 April 2020	1,383	-
Charge to profit or loss	273	-
Transfer on disposal	(1,656)	-
Asset at 31 March 2021	-	-

24 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	179,773	97,678

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

25 Share capital

	Group and company 2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
18,341 (2020: 16,666) Ordinary 'A' £1 shares of £1 each	18,341	16,666
0 (2020: 1,654) Ordinary 'B' £1 shares of £1 each	-	1,654
2,328 (2020: 2,983) Ordinary 'C' £1 shares of £1 each	2,328	2,983
	20,669	21,303

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

25 Share capital

(Continued)

The share capital of the company is made up of ordinary A shares of £1 each and ordinary C shares of £1 each and shall rank pari passu in all respects, save as set out in the articles:

Voting:

- Ordinary A shares give the holder the right to attend, speak and vote at all general meetings.
- Ordinary C shares do not give the holder the right to attend, speak or vote at any general meeting.

Income:

- Dividends or other distributions made to shareholders are made to the holders of ordinary A shares only.
- Ordinary C shares have no right to receive any dividend or other distribution.

26 Share Options

As at the 1 April 2020 the company had granted share options under a 2011 Option Scheme in respect of 275 Ordinary Shares (Option Shares) of £1 each in the company. During the year the of the 275 Ordinary Shares (Option Shares) share options were exercised and as of 31 March 2021 no open options were in place.

As at the 1 April 2020 the company had granted share options under a 2016 Option Scheme in respect of 1,075 Ordinary Shares (Option Shares) of £1 each in the company. During the year the 2016 Option Scheme was cancelled.

27 Pillar 3 Risk Disclosure

The Pillar 3 disclosure of A & J Wealth Management Limited as required by the FCA's "Prudential Sourcebook for Banks, Building Societies and Investment Firms" (BIPRU) specifically BIPRU 11.3.3 R. This follows the Capital Requirements Directive ("CRD") which represents the European Union's application of the Basel Capital Accord. The regulatory aim of the disclosures is to improve market discipline.

The Pillar 3 Disclosure is publicly available and may be found on the company Website at <https://www.ajwealth-management.com/>

28 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	60,845	72,720	59,650	65,025
Between two and five years	97,324	70,044	97,025	68,550
	<u>158,169</u>	<u>142,764</u>	<u>156,675</u>	<u>133,575</u>

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

30 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	490,365	393,808
Adjustments for:		
Taxation charged	78,239	82,858
Finance costs	36,751	53,838
Investment income	(740)	(417)
Loss/(gain) on disposal of tangible fixed assets	1,068	(30,735)
Gain on disposal of intangible assets	(238,764)	-
Amortisation and impairment of intangible assets	56,264	49,927
Depreciation and impairment of tangible fixed assets	61,359	47,724
Amounts written off investments	(59,489)	11,481
Movements in working capital:		
Decrease/(increase) in debtors	55,720	(310,507)
Increase in creditors	63,792	191,998
Cash generated from operations	544,565	489,975

31 Cash generated from operations - company

	2021 £	2020 £
Profit for the year after tax	243,235	125,613
Adjustments for:		
Taxation charged	66,968	89,110
Finance costs	34,485	52,403
Investment income	(44,892)	(42,000)
Gain on disposal of tangible fixed assets	-	(30,735)
Depreciation and impairment of tangible fixed assets	57,174	43,632
Amounts written off investments	25,996	398,998
Movements in working capital:		
Increase in debtors	(120,508)	(386,209)
Increase in creditors	347,019	164,511
Cash generated from operations	609,477	415,323

A & J WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

32 Analysis of changes in net funds - group

	1 April 2020	Cash flows 31 March 2021	
	£	£	£
Cash at bank and in hand	266,598	144,494	411,092
Obligations under finance leases	(71,676)	17,507	(54,169)
	<u>194,922</u>	<u>162,001</u>	<u>356,923</u>

33 Analysis of changes in net funds/(debt) - company

	1 April 2020	Cash flows 31 March 2021	
	£	£	£
Cash at bank and in hand	45,373	362,120	407,493
Obligations under finance leases	(71,676)	17,507	(54,169)
	<u>(26,303)</u>	<u>379,627</u>	<u>353,324</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.