

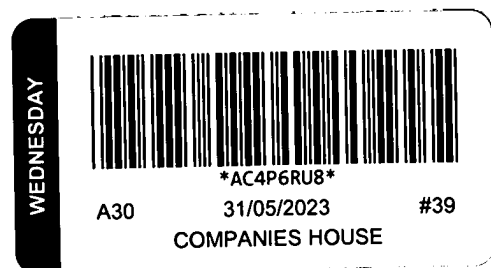
Age Partnership Group Limited  
Annual report and financial statements  
31 December 2022

**Age Partnership Group Limited**

Annual report and financial statements

Registered number 09073284

31 December 2022



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**Officers and Professional Advisers**

**Directors:**

A R Thirkill  
J A A Thirkill  
S Auckland  
M W Bellamy  
S E Thirkill  
T J Loy

**Secretary:**

M W Bellamy

**Registered Office:**

2200 Century Way  
Thorpe Park  
Leeds  
LS15 8ZB

**Registered Number:**

09073284 (England and Wales)

**Auditor:**

Mazars LLP  
5<sup>th</sup> Floor  
3 Wellington Place  
Leeds  
LS1 4AP

**Legal Advisor:**

Walker Morris LLP  
33 Wellington Street  
Leeds  
LS1 4DL

**Banker:**

Barclays Bank PLC  
2nd Floor  
1 Park Row  
Leeds  
LS1 5LD

## Strategic Report

The Directors present their strategic report along with the financial statements of the Age Partnership Group for the year ended 31 December 2022. The Company is the ultimate parent of the Group whose principal trading companies and activities are set out below:

Group Company	Principal Activity
Age Partnership Limited	Equity Release (Lifetime mortgage) broker
Simply Lifetime Mortgages Limited	Equity Release (Lifetime mortgage) broker
Age Partnership Wealth Management Limited	Retirement income broker and financial adviser
Age Assist Limited	Arranging Powers of Attorney and Wills
Equity Release Associates Limited	Equity Release (Lifetime mortgage) broker network

Age Partnership are the UK's market leading broker and adviser, helping customers to release equity from their property. This activity contributed £53.1m or 95% of total revenues in 2022 (2021: £40.8m or 94%). The balance of group revenues was generated from ancillary later life services (e.g. Lasting Powers of Attorney and retirement pension services).

### Review of business

By comparison to the previous two years, 2022 has benefitted by being largely unaffected by Covid-19 as the UK was better positioned to live with the virus following the successful vaccination roll-out. This was evident in increased demand during the year for equity release advice provided by the Company.

2022 was a record year for the UK equity release market with annual lending reaching £6.2bn, a 29% year on year increase and the highest rate of growth since 2018, as record numbers of customers chose to access their property wealth via equity release products as Lifetime Mortgages now enter the mainstream of later life financial planning.

The Group's strategy to invest in people and marketing towards the end of 2021 positioned the business to benefit from this market growth and helped to deliver record levels of lending at £812m (27% up on prior year), and revenues at £55.7m (29% up on prior year of £43.2m). Administration expenses increased 25% to £52.4m (2021: £41.8m) due to a significantly higher spend on marketing and other activity related costs.

After net finance expense of £0.1m (2021: £0.2m) the Group generated profit before tax amounting to £3.2m (2021: £1.4m), another record for the Group.

In the Directors' opinion the results for 2022 and 2021 have been adversely affected by several 'one-off' items which are summarised below:

	2022	2021
	£'000	£'000
Operating Profit / (Loss)	3,286	1,581
Add Back: Depreciation	680	723
Amortisation	386	310
EBITDA	4,352	2,614
Non-recurring costs		
Redundancy costs	332	10
Costs associated with Compensation for Loss of Office	265	-
Start up losses in new business	-	105
Legal & Professional Fees incurred in relation to non-recurring activities	72	46
Underlying EBITDA (before non-recurring costs)	5,021	2,775

## Strategic report (continued)

After the September 2022 'mini-budget', market conditions weakened as mortgage rates (which are linked to long-dated Gilts) increased rapidly and substantially, some lenders temporarily withdrew mortgage products and consumer confidence softened. A direct consequence of this was a reduction in mortgage applications during the final quarter of 2022. As the Company entered the seasonally quieter winter months the decision was made to re-align the cost base of the business to lower market demand through a redundancy and reorganisation programme. As the decision was made and implementation had commenced during the year, the full anticipated costs of £0.3m have been provided for in 2022.

The adviser network Equity Release Associates Limited incurred small losses in 2021 during its initial trading period, and is now no longer considered to be a start-up.

In terms of cashflow, the Group generated positive operating cashflow during the year of £4.1m (2021: £1.6m), and after investing and financing activities the net increase in cash and cash equivalents was £1.9m (2021: £0.4m). The Group ended 2022 with £4.4m cash and cash equivalents (2021: £2.4m) with no bank borrowings.

All the companies in the Group are consolidated into the financial statements of Age Partnership Group Limited. No other Group companies prepare consolidated accounts.

### Key Performance Indicators

The Directors consider the following are the key financial and non-financial performance indicators of the Group:

	2022	2021
<b>Financial</b>		
Revenue	£55.7m	£43.1m
Underlying EBITDA	£5.0m	£2.8m
Lending	£812m	£640m
<b>Non Financial</b>		
HappyCustomer Index (Net Promoter Score)	75.16	73.23
Upheld Complaints	6	12

Revenue and Underlying EBITDA (earnings before interest, tax, depreciation, and amortisation) are considered the key indicators of financial performance along with the total value of Lifetime Mortgage lending to customers. All the financial KPIs made strong progress during the year.

The Group maintained a healthy post-sale equity release Happy Customer Index (based on the principles of the "Net Promoter Score") in 2022 at 75.16, a slight improvement compared to prior year (2021: 73.23). The Happy Customer Index is viewed as a good measure of satisfaction at all stages of the advice process and provides Management with a real-time flow of customer feedback to fuel business improvements. The Group is committed to providing the best customer outcomes and customer satisfaction through a holistic approach to advice and is always seeking ways in which both its advice and customer experience can be improved.

Customer experience is also independently audited by 'Investor in Customers' who assessed the Group's service as 'Exceptional' during the year - awarding its highest-possible 'gold rating' for the 9th year in succession.

The Group's compliance department investigate all complaints from its customers in accordance with regulatory guidelines. The level of complaints received by the Group is small given the size of the business.

### Outlook

Since the turn of the year enquiry levels have been healthy, however, lender and funder appetite has not fully returned to pre 'mini-budget' levels. This is considered temporary with an expectation of improved market conditions as the year progresses.

## Strategic Report (continued)

The Group remains well positioned to help an increasing number of potential customers realise their objectives whether that is to repay debt, supplement a pension, assist with estate planning, or finance home improvements, help family members and fund other discretionary expenditure. However, there remain macro -economic headwinds in terms of uncertainties relating primarily to the conflict in Ukraine. The UK has moved into a period of higher interest rates and double-digit inflation leading to cost-of-living pressures and weakening house prices. With this backdrop, there has never been a more important time for financial advice, with lifetime mortgages having a potentially significant role to play in easing these pressures for customers where appropriate and consistent with good regulatory outcomes.

During the year the Group undertook the triennial accreditation by Investors in People, showing improvement since 2019 which is significant achievement since the pandemic affected the majority of the 3 year period under review. Furthermore, the business was awarded “Best Financial Adviser – 20+ Advisers” at the annual Equity Release Awards in 2022, as well as being shortlisted as Later Life Adviser of the Year at the British Mortgage Awards 2022.

### Principal risks and uncertainties

The process of risk management is dealt with through a framework of policies, procedures, and internal controls. The Risk Committee is responsible for ensuring that key risks are identified and that appropriate internal controls exist to mitigate these risks. The Board reviews the output of the Risk Committee to ensure that appropriate focus is applied not only to existing risks but also to emerging risks. The Group also has business continuity plans in place which it regularly tests and reviews. The principal risks are set out below

#### *Regulatory/ Conduct Risk*

Companies within the Group are regulated by the Financial Conduct Authority (“FCA”) and are therefore subject to regulatory changes which are monitored closely by the business through the management team, Risk Committees and Boards in order to evaluate any impact on the Companies and the ‘at retirement’ market. The approach to risk management provides ongoing assurance that regulatory compliance remains a key priority. Conduct risk is a continual area of focus and is addressed throughout business processes and assurance activity to ensure fair and appropriate customer outcomes.

In July 2022, the FCA issued a Policy Statement and Finalised Guidance to firms in respect of a new “Consumer Duty” that sets clearer and higher expectations for firms’ standards of care towards consumers. The FCA has proposed a phased approach to implementation of the new rules by 31 July 2023. The Group already sets itself very high standards, placing customers at the heart of its business. In response to the proposed new Consumer Duty the Group has undertaken a gap analysis of its regulated Companies, established a project team from across the business and approved a plan by 31 October 2022 to ensure that any new requirements are embedded in the business before the July 2023 implementation timeline. The Group is on track to complete the plan within the timeframe set out by the FCA.

#### *Financial Risk*

Certain Group Companies are regulated by the FCA and as such are required to hold minimum levels of capital to meet regulatory requirements. The level of capital resources in each regulated company is regularly reviewed to ensure ongoing compliance with those requirements. Group companies have access to additional funding if necessary to provide additional capital and are managed in order to protect earnings and their capital base.

#### *Market Risk*

Members of the Group serve the Lifetime Mortgage and ‘At Retirement’ markets.

The strength of the Lifetime Mortgage market is influenced by many factors including house prices, interest rates, availability of funding, and consumer confidence and demand. Advice is provided to differing market segments whether the customer’s objective in seeking a Lifetime Mortgage is to repay an existing mortgage or debt and reduce their monthly outgoings, to supplement their pension or income, to make a gift to family, or to fund discretionary expenditure such as home improvements, a car or a holiday. As such, it is considered the business has a natural hedge within its potential customer base between those with a funding need and those with aspirational aims. With the advancing demographic profile of the UK and the value of equity in the UK housing stock, the Directors’ view is that the potential market size is set to increase significantly over the coming years.

## Strategic Report (continued)

### *Strategic / External Risk*

This is the risk to earnings from changes in the business environment, adverse business decisions or failure to implement a decision effectively. The Executive Management team (supported by the wider senior management team who are all subject matter experts in their chosen field) is active within the industry and meet several times a week providing the opportunity for early warning signs to be identified, discussed, researched and a plan of mitigation developed and implemented at pace if necessary.

### *Operational Risk*

This is the risk of loss or reduction in efficiency from a failure of, or inadequate, internal processes and controls. Operational risk includes manual processes, change processes, systems resilience, new products and services, people reliance, data security and third-party suppliers. Operational risk mitigation is a core element of the Group's risk management framework and is part of the daily business activity.

### **Section 172(1) Statement**

The Directors of Age Partnership Group have acted in accordance with their duties codified in law, which include their duty to act in the way in which would be most likely to promote the success of the Company for the benefit of its members, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

In this Strategic Report, the Directors aim is to present a balanced and comprehensive review of the development and performance of the business during the year, its position at the year end, together with an assessment of the outlook. The review is consistent with the size and complexity of the business and highlights the risks and uncertainties faced by the Company.

Age Partnership Group is an over 50's money specialist that depends on the confidence of its stakeholders to operate sustainably in the long term. The Company seeks to develop its wider relationships with its primary concern being its customers' best interests. It also invests in its employees, supports local communities, maintains good relationships with suppliers and strives to generate sustainable profits for its shareholders.

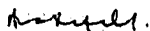
Section 172 considerations are embedded in decision making at Board level and throughout the wider Age Partnership Group. The Group's success in its engagement with customers, as well as the risks it faces along with the mitigating actions taken, are set out in this Strategic Report.

The Group is committed to providing the best customer outcomes and customer satisfaction. It regularly engages with customers throughout their journey with the Group and the Board measures the effectiveness of the advice provided by closely monitoring the Happy Customer Index.

The Board also recognises the importance of engaging with the Group's employees, ensuring that they remain informed of relevant information regarding Group values and performance. Monthly updates from the Executive Management Team, providing access to a suite of internal learning and development opportunities and being open and transparent in all undertakings, are just some of the ways in which the Group supports its employees, allowing them to in turn, provide a gold standard of service to its customers.

Finally, on behalf of the Board I would like to sincerely thank all colleagues for their hard work and effort through the past twelve months.

By order of the board



**Andrew Thirkill**  
Chairman  
26 May 2023

2200 Century Way  
Thorpe Park  
Leeds  
LS15 8ZB

## Directors' Report

The Directors present their report and financial statements of the Group for the year ended 31 December 2022.

### Dividend

No dividends have been paid or proposed during the current year or prior year.

### Directors

The directors who held office during the year, and up to the date of this report, were as follows:

A R Thirkill  
J A A Thirkill  
S Auckland  
M W Bellamy  
S E Thirkill  
T J Loy

### Political contributions

The Company made no political donations or incurred any political expenditure during the year.

### Disclosure of information to auditor

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

### Going Concern

The directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements. Further details of this assessment can be found in note 1.3.

### Energy and Emissions report

The directors present its energy consumption, carbon emissions and intensity ratio statistics below. Scope 3 for homeworking is a new addition for 2022 as per Government guidelines, hence no comparative figure for 2021

	2022	2021
Scope 1 Energy Consumption (kWh)	669,437	830,388
Scope 2 Energy Consumption (kWh)	571,887	658,519
Scope 1 Carbon Emissions (tCO <sub>2</sub> e)	138	157
Scope 2 Carbon Emissions (tCO <sub>2</sub> e) – Location Based	111	140
Scope 2 Carbon Emissions (tCO <sub>2</sub> e) – Market Based	-	-
Scope 3 Carbon Emissions (tCO <sub>2</sub> e) - Homeworking	117	-
Intensity Ratio 1 (tCO <sub>2</sub> e/Turnover £m)	6.56	6.84
Intensity Ratio 2 (tCO <sub>2</sub> e/Floor Area m <sup>2</sup> )	0.11	0.09
Intensity Ratio 3 (tCO <sub>2</sub> e/No of Employees)	0.83	0.74

## **Directors' Report (continued)**

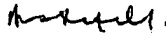
### **Other information**

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 4. For the year ended 31 December 2022, the company accounts are prepared under International Financial Reporting Standards as adopted by the EU.

### **Auditor**

The Company appointed Mazars LLP as its auditors during the year in accordance with Section 487 of the Companies Act 2006.

By order of the board



**Andrew Thirkill**  
*Director*

2200 Century Way  
Thorpe Park  
Leeds  
LS15 8ZB  
26 May 2023

## **Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements**

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

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare the group and the parent company financial statements in accordance with UK-adopted international accounting 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 parent company and of their profit or loss for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether UK-adopted international Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with specific requirements in the UK-adopted international Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- 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 and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent 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 parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the members of Age Partnership Group Limited**

### **Opinion**

We have audited the financial statements of Age Partnership Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; 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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report and financial statements, 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.

## **Independent auditor's report to the members of Age Partnership Group Limited** (continued)

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Financial Conduct Authority ('FCA').

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities, including the FCA;

## Independent auditor's report to the members of Age Partnership Group Limited (continued)

- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

### Use of the audit 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.



David Allen

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5<sup>th</sup> Floor  
3 Wellington Place  
Leeds  
LS1 4AP  
26 May 2023

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
*for year ended 31 December 2022*

	Note	2022 £000	2021 £000
Revenue		55,717	43,124
Other income	2	-	323
Administrative expenses		(52,431)	(41,866)
<b>Operating profit</b>		<b>3,286</b>	<b>1,581</b>
Financial income	6	334	-
Finance expense	6	(439)	(162)
<b>Net financing expense</b>		<b>(105)</b>	<b>(162)</b>
<b>Profit before taxation</b>		<b>3,181</b>	<b>1,419</b>
Taxation	7	(575)	(323)
<b>Profit for the year</b>		<b>2,606</b>	<b>1,096</b>
<b>Other comprehensive income for the year, net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>2,606</b>	<b>1,096</b>


*The accompanying notes on pages 17-36 form an integral part of these financial statements.*

**Statement of Financial Position**  
*at 31 December 2022*

	Note	Group 2022 £000	2021 £000	Company 2022 £000	2021 £000
<b>Non-current assets</b>					
Property, plant and equipment	8	666	620	-	-
Right of Use assets	8	2,286	2,624	-	-
Intangible assets	9	869	744	-	-
Investments in group companies and associated undertakings	10	-	-	3,895	3,820
		<u>3,821</u>	<u>3,988</u>	<u>3,895</u>	<u>3,820</u>
<b>Current assets</b>					
Trade and other receivables	11	1,830	1,644	-	-
Amounts owed from associated undertakings		-	471	6	-
Amounts owed from parties under common control		3,676	2,665	2,678	2,600
Tax receivable		36	219	-	-
Cash and cash equivalents		4,356	2,436	1,000	1,000
Deferred Tax asset	12	-	7	-	-
		<u>9,898</u>	<u>7,442</u>	<u>3,684</u>	<u>3,600</u>
<b>Total assets</b>		<u><u>13,719</u></u>	<u><u>11,430</u></u>	<u><u>7,579</u></u>	<u><u>7,420</u></u>
<b>Current liabilities</b>					
Trade and other payables	13	5,307	4,879	-	-
Amounts owed to associated undertakings		-	471	3,675	3,600
Amounts owed to parties under common control		111	-	108	-
Lease liabilities less than one year	16	268	390	-	-
Tax payable		-	37	-	-
		<u>5,686</u>	<u>5,777</u>	<u>3,783</u>	<u>3,600</u>
<b>Non-current liabilities</b>					
Amounts owed to parties under common control	18	3,600	3,600	3,600	3,600
Lease liabilities greater than one year	16	2,090	2,356	-	-
Deferred Tax Liability	12	40	-	-	-
		<u>5,730</u>	<u>5,956</u>	<u>3,600</u>	<u>3,600</u>
<b>Total liabilities</b>		<u><u>11,416</u></u>	<u><u>11,733</u></u>	<u><u>7,383</u></u>	<u><u>7,200</u></u>
<b>Net assets/(liabilities)</b>		<u><u>2,303</u></u>	<u><u>(303)</u></u>	<u><u>196</u></u>	<u><u>220</u></u>
<b>Equity attributable to equity holders of the parent</b>					
Share capital	14	50	50	50	50
Merger reserve		-	-	561	561
Retained earnings		2,253	(353)	(415)	(391)
<b>Total equity</b>		<u><u>2,303</u></u>	<u><u>(303)</u></u>	<u><u>196</u></u>	<u><u>220</u></u>

*The accompanying notes on pages 17-36 form an integral part of these financial statements.*

These financial statements were approved by the board of directors on 26 May 2023 and were signed on its behalf by:



**Andrew Thirkill**

*Director*

Company registered number: 09073284

## Statement of Changes in Equity

### Group

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2022	50	(353)	(303)
<b>Total comprehensive income for the period</b>			
Profit for the year	-	2,606	2,606
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	2,606	2,606
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2022</b>	<b>50</b>	<b>2,253</b>	<b>2,303</b>
	<hr/>	<hr/>	<hr/>
	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2021	50	(1,449)	(1,399)
<b>Total comprehensive income for the period</b>			
Profit for the year	-	1,096	1,096
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	1,096	1,096
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2021</b>	<b>50</b>	<b>(353)</b>	<b>(303)</b>
	<hr/>	<hr/>	<hr/>

*The accompanying notes on pages 17-36 form an integral part of these financial statements.*

## Statement of Changes in Equity *(continued)*

### Company

	Share capital £000	Merger reserve £000	Retained earnings £000	Total equity £000
Balance at 1 January 2022	50	561	(391)	220
<b>Total comprehensive income for the period</b>				
Loss for the year	-	-	(24)	(24)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	(24)	(24)
<b>Balance at 31 December 2022</b>	<b>50</b>	<b>561</b>	<b>(415)</b>	<b>196</b>
	<hr/>	<hr/>	<hr/>	<hr/>

	Share capital £000	Merger reserve £000	Retained earnings £000	Total equity £000
Balance at 1 January 2021	50	561	(391)	220
<b>Total comprehensive income for the period</b>				
Profit for the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	-	-
<b>Balance at 31 December 2021</b>	<b>50</b>	<b>561</b>	<b>(391)</b>	<b>220</b>
	<hr/>	<hr/>	<hr/>	<hr/>

*The accompanying notes on pages 17-36 form an integral part of these financial statements.*

**Consolidated Cash Flow Statement**  
*for year ended 31 December 2022*

	<i>Note</i>	<b>2022</b>	2021
		<b>£000</b>	£000
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		3,181	1,419
<i>Adjustments for:</i>			
Depreciation, amortisation and impairment		1,067	1,033
Financial expense		105	162
		<hr/>	<hr/>
		4,353	2,614
(Increase)/decrease in trade and other receivables		(185)	(2,875)
(Decrease)/Increase in trade and other payables		428	1,808
		<hr/>	<hr/>
		4,596	1,547
Interest paid		(105)	(55)
Tax paid		(383)	59
		<hr/>	<hr/>
<b>Net cash from operating activities</b>		<b>4,108</b>	<b>1,551</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	8	(389)	(368)
Acquisition of intangibles	9	(231)	(47)
Capitalised development expenditure	9	(280)	(371)
Right of Use Assets		-	-
		<hr/>	<hr/>
<b>Net cash from investing activities</b>		<b>(900)</b>	<b>(786)</b>
<b>Cash flows from financing activities</b>			
Payment of finance lease liabilities		(389)	(346)
Right of Use Assets		-	-
Amounts paid by related parties		(899)	-
Dividends paid	14	-	-
		<hr/>	<hr/>
<b>Net cash from financing activities</b>		<b>(1,288)</b>	<b>(346)</b>
Net increase in cash and cash equivalents		1,920	419
Cash and cash equivalents at 1 January		2,436	2,017
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 December</b>		<b>4,356</b>	<b>2,436</b>

*The accompanying notes on pages 17-36 form an integral part of these financial statements.*

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Age Partnership Group Limited (the "Company") is a company incorporated, domiciled and registered in England in the UK. The registered number is 09073284 and the registered address is 2200 Century Way, Thorpe Park, Leeds, LS15 8ZB.

The Group financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The Company financial statements have been prepared and approved by the directors in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (March 2018). On publishing the parent company financial statements here together with the Group financial statements, the Company is taking advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements.

The accounting policies set out, unless otherwise stated below, have been applied consistently to all periods presented in these financial statements.

#### 1.1 Change in accounting policy

The Company has not adopted any new IFRSs in these financial statements.

#### 1.2 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The Group meets its day-to-day working capital requirements through cash and bank surpluses.

The Directors have made an assessment of the Group and Company's ability to continue as a going concern, considering the Group and parent Company's financial position and its ability to meet its obligations as and when they fall due over the "going concern period," which is defined as being a minimum of 12 months from the date of these accounts.

In view of the uncertainty regarding future economic conditions as a consequence of rising inflation, the recent increases in the Bank of England base interest rate and the conflict in Ukraine, the directors considered a severe but plausible downside stress case as well as cash flow forecasts under a base case.

The severe downside stress scenario specifically focused upon the impacts on the Group of a downturn, including reducing the number of mortgage applications received, reducing achieved fee rates and underlying loan or asset values over the going concern period.

Where the going concern analysis identified points of stress, either on capital or liquidity, management have implemented actions to address these identified risks. Age Partnership Group Limited has provided a short term loan of £2.6m to Pure Retirement Limited which is repayable on demand, and also has an agreement with its bankers to have unrestricted access to an overdraft of £0.375m should it be required.

Taking into account the outcome of the going concern assessment, together with the actions taken by management, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.4 Basis of consolidation

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The following subsidiaries are exempt from annual audit having met the requirements of s479A of the Companies Act 2006: Age Lifetime Limited, Age Assist Limited, Simply Lifetime Mortgages Limited and The Marketing Lab Limited.

##### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### 1.5 Financial instruments

Financial instruments comprise investments in equity, trade and other receivables, cash and cash equivalents, loans and borrowings with other group entities, and trade and other payables.

##### *Trade and other receivables*

Trade and other receivables are recognised initially at fair value, adjusted for any transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, net of any loss allowances.

Interest income is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the asset is derecognised or reclassified.

Where trade receivables do not contain a significant financing component, as per IFRS 15, these are measured at the transaction price.

##### *Trade and other payables*

Trade and other payables are recognised initially at fair value, adjusted for any transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Interest expense is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the liability is derecognised or reclassified.

##### *Investments in subsidiaries*

Investments in subsidiaries are carried at cost less impairment. Any dividends received are recognised in profit or loss unless these clearly represent a recovery of part of the initial cost of investment.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise all cash balances and call deposits which, under IFRS 9, are measured using the amortised cost basis net of impairment allowances. Any such impairment has been calculated using a forward-looking lifetime expected loss model.

##### *Interest-bearing borrowings with other group entities*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Interest income or expense is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the asset or liability is derecognised or reclassified.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

- Short leasehold improvements - 4 years, 25% per annum
- Fixtures and fittings - 4 years, 25% per annum
- Computer equipment - 4 years, 25% per annum

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. Right of use assets have been discussed at 1.14.

#### 1.7 Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

##### Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. The estimated useful lives are as follows:

- Software and Development costs - 4 years, 25% per annum

#### 1.8 Impairment of financial assets (including receivables)

The Company measures the expected credit loss (ECL) for its trade receivables using the simplified method. The trade receivables are short term in nature and have no significant financing component. In applying this simplified practical expedience, the Company applies a provisioning matrix approach applying standardised ECL percentages based on the ageing of receivables.

#### 1.9 Impairment of non-financial assets excluding inventories

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGU").

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.9 Impairment of non-financial assets excluding inventories and deferred tax assets (continued)

Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 1.10 Revenue

Revenue represents net invoiced sales of services, excluding value added tax. Revenue incorporates the following for the various business lines of the Group:

- Equity Release - commissions and packaging fees from equity release as well as advice fees received from customers are recognised as part of revenue at the point of completion of the agreement.
- Retirement Income - commissions on customer selected retirement products (non-advised sales) from pension income providers as well as advice fees received from customers are recognised as part of revenue at the point of completion of the agreement.
- Estate Planning - administration fees relating to setting up of lasting power of attorney are recognised as part of revenue at the point of invoice or completion of works, whichever is the latter.
- Administration of medical questioning for pension trustees – administration fees in relation to the collection of medical data for pension trustees are recognised as part of revenue at the point of invoice or completion of works, whichever is the latter
- Other income relates to the monies received through the Coronavirus Job Retention Scheme and is treated as a government grant received and recognised in the period to which the claim relates.

#### 1.11 Employee benefits

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

##### Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.12 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets and liabilities are not discounted.

#### 1.13 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquired; plus
- the fair value of the existing equity interest in the acquired; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

On a transaction-by-transaction basis, the Group elects to measure non-controlling interests, which have both present ownership interests and are entitled to a proportionate share of net assets of the acquiree in the event of liquidation, either at its fair value or at its proportionate interest in the recognised amount of the identifiable net assets of the acquiree at the acquisition date. All other non-controlling interests are measured at their fair value at the acquisition date.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.14 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### *Company as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies section 1.9 above.

##### ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date unless the interest rate implicit in the lease is readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Lease liabilities (Note 16).

##### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### 1.15 Government grants

The Group recognises grants only when there is reasonable assurance that (a) the entity will comply with any conditions attached to the grant, and (b) the grant will be received.

Grants are recognised in profit or loss over the period necessary to match them with the related costs for which they are intended to compensate, on a systematic basis, and as accrued income where related costs have been incurred but the assistance subsidising them has not yet been received. The Group has opted to recognise government grants relating to income as 'other income' rather than deducting them from the related expense as set out in IAS 20 – Government Grants.

**Notes (continued)**

**1 Accounting policies (continued)**

**1.16 Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- Amendments to IAS 1: Classification of liabilities as current or non-current (effective date 1 January 2023). To promote consistency in application and clarify the requirements on determining if a liability is current or non-current, the IASB has amended IAS 1. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2023 and is not expected to have a significant impact on the Group's financial statements.

**1.17 Accounting estimates and judgements**

Certain critical accounting judgements in applying the Company's accounting policies include whether the long-term incentive plan (LTIP) for the directors is a share-based payment as defined in IFRS 2, or an employee benefit within the scope of IAS 19. There is a further judgement as to whether to recognise a charge for the LTIP.

In January 2017, a long-term incentive plan (LTIP) for the directors was put in place. It is designed to pay out should the company participate in a future corporate transaction. Having considered the terms of the agreement it is the view of the directors that the LTIP does not meet the definition of a share-based payment under IFRS 2 Share-based Payment due to the mechanism for calculating the payments that would be due under the LTIP. As a result, the LTIP has been considered under IAS 19 Employee Benefits. The directors are of the view that the LTIP does not have a realisable value at the balance sheet date and therefore there has been no provision made within these financial statements.

**2 Other income**

The Company received government assistance during 2021 as part of the Coronavirus Job Retention Scheme ('CJRS') in the form of direct cash payments, recognised as other income through profit or loss and as accrued income where related costs have been incurred but the payments subsidising them have not yet been received.

	2022	2021
	£000	£000
Government Grants	-	302
Research & Development Expenditure Credits	-	21
	-	323
	-	323

An amount of £nil (2021: £21k) is included in Tax receivable in respect of the RDEC claim.

**Notes (continued)**

**3 Expenses and auditor's remuneration**

*Auditor's remuneration:*

	2022	2021
	£000	£000
Audit of these financial statements	8	7
Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	87	49
Other Assurance services	34	-
	8	56

**4 Staff numbers and costs**

The average number of persons employed within the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2022	2021
Directors	8	8
Administration	431	393
	439	401

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£000	£000
Wages and salaries	16,168	13,504
Social security costs	2,019	1,495
Other pension costs	390	302
	18,577	15,301

**Notes (continued)**

**5 Directors' remuneration**

	2022	2021
	£000	£000
Directors' remuneration	1,703	1,343
Company contributions to money purchase pension plans	46	67
	1,749	1,410

In addition to the above, an amount of £208,349 was paid in relation to a director's loss of Office. The aggregate of remuneration of the highest paid director was £495,000 (2021: £380,000), and Company pension contributions of £nil (2021: £nil) were made to a money purchase scheme on their behalf.

	Number of directors	
	2022	2021
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	6	7
	6	7

**6 Finance Income & expense**

	2022	2021
	£000	£000
<b>Finance Income</b>		
Interest income on financial assets measured at amortised cost	334	-
	334	-
<b>Finance expense</b>		
Interest expense on financial liabilities measured at amortised cost	345	55
Lease liability discounting	94	107
	439	162

**Notes (continued)**

**7 Taxation**

**Recognised in the income statement**

	2022	2021
	£000	£000
<i>Current tax expense</i>		
Current-year	529	-
Adjustments for prior years	-	41
	529	41
<i>Deferred tax expense</i>		
Origination and reversal of temporary differences	84	280
Adjustments for prior years	(37)	2
	47	282
Total tax expense recognised in the income statement	576	323

**Reconciliation of effective tax rate**

	2022	2021
	£000	£000
Profit for the year	2,606	1,096
Total tax charge	576	323
Profit excluding taxation	3,181	1,419
Tax using the UK corporation tax rate of 19% (2021: 19%)	604	270
Expenses not deductible for tax purposes	5	6
Fixed asset differences	(13)	13
Remeasurement of deferred tax for changes in tax rates	20	(2)
Adjustments for prior years	-	15
Adjustment to tax charge for prior years for deferred tax	(37)	29
R & D expenditure credits	-	(4)
Temporary differences not recognised in computation	(3)	(4)
	576	323

**Notes (continued)**

**8 Property, plant and equipment - Group only**

	Leasehold £000	Fixtures and Fittings £000	Computer Equipment £000	Right-to-use assets £000	Total £000
<b>Cost</b>					
Balance at 1 January 2022	25	1,689	1,282	3,248	6,244
Acquisitions	-	133	256	-	389
<b>Balance at 31 December 2022</b>	<b>25</b>	<b>1,822</b>	<b>1,538</b>	<b>3,248</b>	<b>6,633</b>
<b>Depreciation</b>					
Balance at 1 January 2022	23	1,374	979	624	3,000
Depreciation charge for the year	2	176	165	338	681
<b>Balance at 31 December 2022</b>	<b>25</b>	<b>1,550</b>	<b>1,144</b>	<b>962</b>	<b>3,681</b>
<b>Net book value</b>					
At 1 January 2022	2	315	303	2,624	3,244
<b>At 31 December 2022</b>	<b>-</b>	<b>272</b>	<b>394</b>	<b>2,286</b>	<b>2,952</b>
	Leasehold £000	Fixtures and Fittings £000	Computer Equipment £000	Right-to-use assets £000	Total £000
Balance at 1 January 2021	25	1,545	1,058	3,248	5,876
Acquisitions	-	144	224	-	368
<b>Balance at 31 December 2021</b>	<b>25</b>	<b>1,689</b>	<b>1,282</b>	<b>3,248</b>	<b>6,244</b>
<b>Depreciation</b>					
Balance at 1 January 2021	21	1,188	816	252	2,277
Depreciation charge for the year	2	186	163	372	723
<b>Balance at 31 December 2021</b>	<b>23</b>	<b>1,374</b>	<b>979</b>	<b>624</b>	<b>3,000</b>
<b>Net Book Value At 31 December 2021</b>	<b>2</b>	<b>315</b>	<b>303</b>	<b>2,624</b>	<b>3,244</b>

**Notes (continued)**

**8 Property, plant and equipment – Group only (continued)**

At 31 December 2022, property, plant and equipment includes right-of-use assets as follows:

	Land & buildings £000	Computer Equipment £000	Total £000
<b>Right-of-use asset</b>			
At 31 December 2022	2,286	-	2,286
	<u>2,286</u>	<u>-</u>	<u>2,286</u>
At 31 December 2021	2,619	5	2,624
	<u>2,619</u>	<u>5</u>	<u>2,624</u>

**9 Intangible assets – Group Only**

	Software & Development costs £000	Goodwill £000	Total £000
<b>Cost</b>			
Balance at 1 January 2022	2,407	214	2,621
Acquisitions	511	-	511
	<u>2,918</u>	<u>214</u>	<u>3,132</u>
Balance at 31 December 2022	2,918	214	3,132
	<u>2,918</u>	<u>214</u>	<u>3,132</u>
<b>Amortisation and impairment</b>			
Balance at 1 January 2022	1,663	214	1,877
Amortisation for the year	386	-	386
	<u>2,049</u>	<u>214</u>	<u>2,263</u>
Balance at 31 December 2022	2,049	214	2,263
	<u>2,049</u>	<u>214</u>	<u>2,263</u>
<b>Net book value</b>			
At 1 January 2022	744	-	744
	<u>744</u>	<u>-</u>	<u>744</u>
At 31 December 2022	869	-	869
	<u>869</u>	<u>-</u>	<u>869</u>

**Notes** *(continued)*

**9 Intangible Assets – Group only** *(continued)*

	<b>Software &amp; Development</b>		
	<b>Costs</b>	<b>Goodwill</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost</b>			
Balance at 1 January 2021	1,989	214	2,203
Acquisitions	418	-	418
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	2,407	214	2,621
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Amortisation and impairment</b>			
Balance at 1 January 2021	1,353	214	1,567
Amortisation for the year	310	-	310
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	1,663	214	1,877
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>			
At 31 December 2020	636	-	636
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>At 31 December 2021</b>	<b>744</b>	<b>-</b>	<b>744</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*Amortisation and impairment charge*

The amortisation and impairment charge is recognised in the following line items in the income statement:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Administration expenses	<b>369</b>	310
	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 10 Investments in subsidiaries

The Company has the following subsidiaries. The registered address of all entities is 2200 Century Way, Thorpe Park, Leeds, LS15 8ZB

Subsidiary	Class of Shares held	Ownership	
		2022	2021
<b>Company</b>			
<i>Age Partnership Limited</i> Provision of equity release advice services to end customers	Ordinary	100%	100%
<i>Age Partnership Wealth Management Limited</i> Provision of services in relation to pension income solutions	Ordinary	100%	100%
<b>Group</b>			
<i>Age Partnership Limited</i> Provision of equity release advice services to end customers	Ordinary	100%	100%
<i>Age Partnership Wealth Management Limited</i> Provision of services in relation to pension income solutions	Ordinary	100%	100%
<i>Age Assist Limited</i> Provision of services in relation to estate planning, including Lasting Powers of Attorney, will writing services and funeral plans.	Ordinary	100%	100%
<i>Age Lifetime Limited</i> Exclusive provider of advice relating to lifetime mortgages to customers introduced by SunLife Limited.	Ordinary	100%	100%
<i>Equity Release Associates Limited</i> Provision of whole of market equity release advice services to end customers through an adviser network	Ordinary	100%	100%
<i>Simply Lifetime Mortgages Limited</i> Provision of equity release advice services to customers via a B2B partnership arrangement	Ordinary	100%	100%

The investment in The Marketing Lab Limited was fully impaired in 2020 due to the pending cessation of the business.

The Company has provided subordinated long-term funding to members of the group, totalling £3.675m. This amount has been included as a non-current asset of the Company.

### 11 Trade and other receivables

	Group 2022 £000	2021 £000
Trade and other receivables	1,157	893
Prepayments & accrued income	672	751
	<u>1,829</u>	<u>1,644</u>

**Notes** *(continued)*

**12 Deferred tax assets and liabilities - Group**

*Recognised deferred tax assets and liabilities*

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022	2021	2022	2021	2022	2021
	£000	£000	£000	£000	£000	£000
Property, plant and equipment	11	-	57	14	(46)	(14)
Provisions	8	8	-	-	8	8
Tax credit and loss carried forward	-	10	-	-	-	10
Pension and post-retirement benefits	12	20	-	-	12	20
Other taxable temporary differences	-	-	14	17	(14)	(17)
	<u>31</u>	<u>38</u>	<u>71</u>	<u>31</u>	<u>(40)</u>	<u>7</u>

*Movement in deferred tax during the year*

	1 January	Recognised	31 December
	2022	in the income	2022
	£000	statement	£000
		£000	
Property, plant and equipment	(14)	(32)	(46)
Provisions	8	-	8
Tax credit and loss carried forward	10	(10)	-
Pension and post-retirement benefits	20	(8)	12
Other taxable temporary differences	(17)	3	(14)
	<u>7</u>	<u>(47)</u>	<u>(40)</u>

**13 Trade and other payables**

	2022	2021
	£000	£000
Trade payables	1,335	2,898
Accruals and deferred income	3,182	1,613
Taxation and social security	790	368
	<u>5,307</u>	<u>4,879</u>

**Notes** (continued)

**14 Capital and reserves**

**Share capital**

	2022	Ordinary shares 2021
Shares on issue at 1 January	50,000	50,000
Issued for in a share-for-share exchange	-	-
	50,000	50,000
Shares on issue at 31 December	50,000	50,000
	2022	2021
	£000	£000
<i>Allotted, called up and fully paid</i>		
50,000 shares of £1.00 each	50	50
	50	50

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

*Dividends*

The following dividends were recognised during the period:

	2022	2021
	£000	£000
£nil (2021: £nil) per qualifying ordinary share	-	-
	-	-

## Notes (continued)

### 15 Financial instruments – Fair Values & Risk Management

#### *Fair values of financial instruments*

The carrying values of the Group's financial instruments are reasonable approximations of their fair value.

#### *Financial instruments*

The Group is exposed through its operations to one or more of the following financial risks:

- Capital and Liquidity risk
- Market price risk
- Interest rate risk
- Credit risk

Policy for managing these risks is set by the Risk Committee. The policy for each of the above risks is described in more detail below.

#### *Capital and Liquidity risk*

Capital and liquidity risk is the risk that the Group will have difficulty in meeting its financial obligations as they fall due and retains sufficient capital within the Group. Age Partnership Limited and Age Partnership Wealth Management Limited are regulated by the FCA and so are required to meet the minimum capital requirements as set out by the FCA. In order to ensure continued compliance with these requirements the liquidity of the Group is monitored and managed centrally. With the only structured debt being finance leases the main liquidity risk arises from the Group's management of working and regulatory capital. The Group and Company currently have sufficient capital and liquid resources to meet the requirements of the business and their future plans.

#### *Maturity of financial liabilities*

The carrying amounts of financial liabilities (excluding unamortised finance costs), all of which are UK based and exposed to cash flow or fair value interest rate risk, are repayable as follows:

	<b>On Demand 2022</b>	<b>Long term borrowing 2022</b>	<b>On Demand 2021</b>	<b>Long term borrowing 2021</b>
<b>Group</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Less than one year	1,335	-	2,898	-
More than one year	-	3,600	-	3,600

#### *Market price risk*

Given the low level of external debt the market price risk arises from wider macro-economic factors which may affect the strength of the equity release market such as house price inflation and interest rates. The Group's customer base is entirely within the UK so changes in exchange rate pose no significant risk.

#### *Interest rate risk*

The Company finances its operations through equity and a small amount of finance leases at a fixed rate. Therefore, the Company does not have exposure to interest rate risk

**Notes (continued)**

**15 Financial instruments – Fair Values & Risk Management (continued)**

*Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

The Group's credit risk is primarily derived from its trade receivables. This risk is managed daily by the Group's credit control function who monitor recovery and ensure that outstanding debts are identified when these become overdue and appropriate action is taken to recover the amounts outstanding.

Due to the wide range of customers, the Group has no substantial exposure to any individual third party in respect of trade receivables.

The exposure to credit risk as at 31 December 2022 was as follows:

<b>Group</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Gross trade receivables	1,279	929
Provision for trade receivables	(121)	(36)
	<hr/>	<hr/>
Net trade receivables	1,157	893
	<hr/>	<hr/>
Cash and cash equivalents	4,356	2,436
	<hr/>	<hr/>

The Board receives management information each month regarding sales and trade receivables and monitors the Group's performance. The following table illustrates the concentrations of credit risk within the Group as at the balance sheet date. All receivables are UK based. The aging of trade receivables at the balance sheet date was:

Group	Gross	Impairment	Gross	Impairment
	2022	2022	2021	2021
	£000	£000	£000	£000
Not past due	423	12	631	6
Past due 0-30 days	383	11	160	4
Past due over 30 days	473	98	138	26
	<hr/>	<hr/>	<hr/>	<hr/>
	1,279	121	929	36
	<hr/>	<hr/>	<hr/>	<hr/>

**Notes (continued)**

**15 Financial instruments – Fair Values & Risk Management (continued)**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group 2022 £000	Group 2021 £000
Balance at 1 January	36	49
Impairment loss reversed	(36)	(49)
Impairment loss recognised	121	36
	<hr/>	<hr/>
Balance at 31 December	121	36
	<hr/> <hr/>	<hr/> <hr/>

The Group's maximum credit risk is equal to the carrying value for trade receivables, loan to a related party and cash and cash equivalents.

Despite the reasonably high level of provisions for impairment, the directors consider the Group's credit quality to be good. This is due to the fact that the vast majority of payments are received shortly after the point of sale and are due from recognised mortgage lenders and solicitors' client accounts.

*Capital*

The Company's capital is held within its group companies. The Group considers its regulatory capital to comprise of its net assets less intangible assets and any subordinated loans to companies within the Group. The Company is not a regulated entity under the FCA.

The Group's capital requirement is assessed at individual regulated company level and the board ensure that it has sufficient capital at all times throughout the year.

**16 Lease liabilities**

	2022 £000	2021 £000
At 1 January	2,659	2,985
Additions	-	-
Disposals in the year	-	-
Interest & Payments	(301)	(326)
	<hr/>	<hr/>
At 31 December	2,358	2,659
	<hr/> <hr/>	<hr/> <hr/>
Current	268	390
Non-current	2,090	2,356
	<hr/> <hr/>	<hr/> <hr/>
<b>Total</b>	<b>2,358</b>	<b>2,746</b>
	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 17 Ultimate parent company and parent company of larger group

The Company is the ultimate parent company of the Group. The ultimate controlling party is A R Thirkill as chairman and majority shareholder of Age Partnership Group Limited.

This is the only group in which the results of the Company are consolidated. No other group financial statements include the results of the Company.

### 18 Related parties

#### Group

##### *Identity of related parties with which the Group has transacted*

During the year, the Group was controlled by A R Thirkill as chairman and majority shareholder of the Group.

The Group had transactions in the year with other group companies and jointly controlled entities Pure Retirement Limited, ATP Advertising and Marketing Limited, and Advise Wise Limited. The details of these transactions are disclosed below.

#### Group Companies

All the employees within the Age Partnership Group are employed by Age Partnership Limited and all central services are procured by that company. Inter-company balances are eliminated on consolidation.

##### *Pure Retirement Limited*

- The Group received commission as a broker from Pure Retirement Limited, commission received during the year was £13,573,170 (2021: £5,924,546). There was a balance outstanding at 31 December 2022 of £26,767 (2021: £45,466) in relation to these services.
- In addition, the Group also received funds from Pure Retirement Limited for a proportion of shared services including rental and personnel costs as well as case servicing costs. The amount received from Pure Retirement in 2022 in respect of these items was £1,187,501 (2021: £183,949). There was a balance outstanding at 31 December 2022 of £968,679 (2021: £12,676) in relation to these services.
- Pure Retirement Limited continues to provide financial support to the Company in the form of a £3,600,000 loan facility as of 31 December 2022 (2021: £3,600,000). At 31 December 2022 interest charges of £108,000 were outstanding (2021: Nil). The company also has in place an on-demand facility to Pure Retirement Limited amounting to £3,600,000 of which £2,600,000 has been drawn down at 31 December 2022 (2021: £2,600,000). At 31 December 2022 interest charges of £78,000 were outstanding (2021: Nil).

##### *ATP Advertising and Marketing Limited*

- During the year, the Group received marketing, media buying and printing services from ATP Advertising and Marketing Limited. The total paid for these services during the year was £4,614,006 (2021: £2,138,385). The balance outstanding at 31 December 2022 was £nil (2021: £232,430).
- In addition, the Group also received rental income from ATP Advertising and Marketing Limited for the subletting of a section of the Group's head office. The total funds received during the year in respect of this was £34,560 (2021: £28,800). The balance outstanding at December 2022 was £2,880 (2021: £2,400).

##### *Advise Wise Limited*

- During the year, the Group provided administrative services to Advise Wise Limited totalling £11,677 (2021: £29,616). At 31 December 2022, the balance amount outstanding was a credit balance of £3,126 (2021: £4,930).
- In addition the group received web-based development services from Advise Wise Limited. The total paid for these services during the year was £6,000 (2021: £nil). The balance outstanding at 31 December 2022 was £nil (2021: £nil).

### 19 Subsequent events

No material events have been noted subsequent to the balance sheet date.