

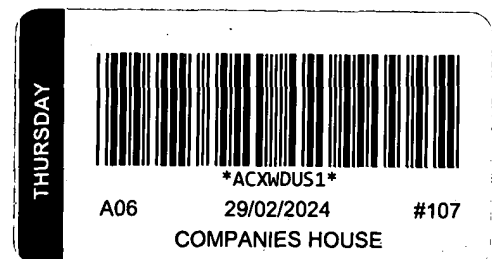
Wise Midco Limited

Annual Report and Financial Statements

Year Ended

31 May 2023

Company Number 13758472



Wise Midco Limited

Company Information

Directors

S P Hills
J M Orton
D P Richards
B P Morris
S R Russell

Registered number

13758472

Registered office

3rd Floor Radcliffe House
Solihull
England
B91 2AA

Independent auditor

KPMG LLP
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Wise Midco Limited

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Wise Midco Limited

Strategic Report For the Year Ended 31 May 2023

The directors present their Strategic Report together with the audited financial statements for the year ended 31 May 2023.

The comparative results are from the period from incorporation on 22 November 2021 to 31 May 2022.

Business review

As an intermediary holding company its function relates to financing activities for the Group with the Company holding external debt and amounts due to and from group companies as seen in the Statement of Financial Position.

Principal risks and uncertainties

As a holding company there are limited risks and uncertainties given all external debt is at a fixed rate of interest.

Key performance indicators

The directors use profit or loss before tax as a measure of the Company's performance. Loss for the year is £219,193 (period ended 31 May 2022 - £92,788) and relates to interest income received on amounts due from Midco 2 Limited which was less than interest payable.

This report was approved by the board and signed on its behalf.



.....
B P Morris
Director

3rd Floor Radcliffe House,
Solihull,
England,
B91 2AA

Date: 01/12/2023

Wise Midco Limited

Directors' Report For the Year Ended 31 May 2023

The directors present their report and the audited financial statements for the year ended 31 May 2023.

The comparative results are from the period from incorporation on 22 November 2021 to 31 May 2022.

Principal activity

The principal activity of the Company is that of an intermediary holding company.

Results and dividends

The loss for the year, after taxation, amounted to £219,193 (period ended 31 May 2022 - loss £92,788).

The directors do not recommend payment of a dividend (period ended 31 May 2022 - £Nil).

Directors

The directors who served during the year were:

S P Hills
J M Orton
D P Richards
B P Morris (appointed 19 May 2023)
S R Russell (appointed 19 May 2023)

Matters covered in the Strategic Report

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Strategic Report in accordance with S414C(11) as the directors consider them to be of strategic importance to the Company.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company is part of the Wise Topco Group. The Company's ability to operate as a going concern is directly linked to the Group's position.

The directors of the Group have performed a going concern assessment for a period of 12 months from the date of approval of those financial statements which indicates that, taking account of reasonably possible downsides, the Group will have sufficient funds, to meet its liabilities as they fall due during the going concern assessment period. The Group's assessment was made available to the Company.

The Company is depended on the ultimate parent company not seeking repayment of the amounts currently due to the Group entities, which at the reporting date amounted to £76m (2022 - £74m), and providing additional financial support for a period of at least 12 months from the date of approval of these financial statements. The ultimate parent company has indicated its intention to continue to make available such funds as are needed by the Company during the going concern period.

As with any Company placing reliance on other Group entities for financial support, the directors of the Company acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Therefore, the directors consider, after making appropriate enquiries, that the Company has adequate resources to continue as a going concern and that the Company will be able to meet its obligations during the going concern period. Accordingly, the directors have adopted a going concern basis in preparing these financial statements.

Wise Midco Limited

Directors' Report (continued) For the Year Ended 31 May 2023

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Events after the reporting period

There have been no material events after the reporting period which would require adjustments to or disclosure in these financial statements.

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
B P Morris
Director

3rd Floor Radcliffe House,
Solihull,
England,
B91 2AA

Date: 01/12/2023

Wise Midco Limited

Directors' Responsibilities Statement For the Year Ended 31 May 2023

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 financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 Company and of the profit or loss of the Company 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Wise Midco Limited

Independent Auditor's Report to the Members of Wise Midco Limited

Opinion

We have audited the financial statements of Wise Midco Limited ("the Company") for the year ended 31 May 2023, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Wise Midco Limited

Independent Auditor's Report to the Members of Wise Midco Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of directors and the audit committee as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition as this is an intermediate holding Company.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation of the Company-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts;
- Evaluated the business purpose of significant unusual transactions; and
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably. Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Wise Midco Limited

Independent Auditor's Report to the Members of Wise Midco Limited (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, regulatory capital and liquidity, and certain aspects of company legislation recognising the financial nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect a breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion these reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the 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

We have nothing to report in these respects.

Wise Midco Limited

Independent Auditor's Report to the Members of Wise Midco Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 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.



Daniel Burrows (Senior Statutory Auditor)
For and on behalf of **KPMG LLP**, Statutory Auditor
Chartered Accountants
KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Date: 1 December 2023

Wise Midco Limited

Statement of Comprehensive Income For the Year Ended 31 May 2023

	Note	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Administrative expenses		(20,526)	-
Earnings before interest, tax, depreciation, amortisation and exceptional expenses		(20,526)	-
Operating loss		(20,526)	-
Interest receivable and similar income	5	10,159,046	4,773,215
Interest payable and similar charges	6	(10,357,713)	(4,866,003)
Loss before tax		(219,193)	(92,788)
Tax on loss	7	-	-
Loss for the financial year/period		(219,193)	(92,788)

There was no other comprehensive income for year ended 31 May 2023 (period ended 31 May 2022 - £Nil).

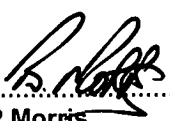
The notes on pages 12 to 19 form part of these financial statements.

Wise Midco Limited
Registered number: 13758472

Statement of Financial Position
As at 31 May 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments	8		1		1
Current assets					
Debtors	9	110,969,637		98,523,213	
Current liabilities					
Creditors: amounts falling due within one year	10	(20,525)		(862,075)	
Net current assets			110,949,112		97,661,138
Total assets less current liabilities			110,949,113		97,661,139
Non-current liabilities					
Creditors: amounts falling due after more than one year	11		(111,261,093)		(97,753,926)
Net liabilities			(311,980)		(92,787)
Capital and reserves					
Called up share capital	13		1		1
Profit and loss account	14		(311,981)		(92,788)
Shareholders' deficit			(311,980)		(92,787)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
B P Morris
Director

Date: 01/12/2023

The notes on pages 12 to 19 form part of these financial statements.

Wise Midco Limited

Statement of Changes in Equity For the Year Ended 31 May 2023

	Called up share capital	Profit and loss account	Shareholders' deficit
	£	£	£
At 1 June 2022	1	(92,788)	(92,787)
Comprehensive loss for the year			
Loss for the year	-	(219,193)	(219,193)
Total comprehensive loss for the year	-	(219,193)	(219,193)
At 31 May 2023	1	(311,981)	(311,980)

Statement of Changes in Equity For the Period Ended 31 May 2022

	Called up share capital	Profit and loss account	Shareholders' deficit
	£	£	£
At 22 November 2021 (on incorporation)	1	-	1
Comprehensive loss for the period			
Loss for the period	-	(92,788)	(92,788)
Total comprehensive loss for the period	-	(92,788)	(92,788)
At 31 May 2022	1	(92,788)	(92,787)

The notes on pages 12 to 19 form part of these financial statements.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

1. General information

Wise Midco Limited is a private company limited by shares, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company's functional and presentational currency is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Wise Topco Limited as at 31 May 2023 and these financial statements may be obtained from 3rd Floor Radcliffe House, Solihull, England, B91 2AA.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.4 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company is part of the Wise Topco Group. The Company's ability to operate as a going concern is directly linked to the Group's position.

The directors of the Group have performed a going concern assessment for a period of 12 months from the date of approval of those financial statements which indicates that, taking account of reasonably possible downsides, the Group will have sufficient funds, to meet its liabilities as they fall due during the going concern assessment period. The Group's assessment was made available to the Company.

The Company is depended on the ultimate parent company not seeking repayment of the amounts currently due to the Group entities, which at the reporting date amounted to £76m (2022 - £74m), and providing additional financial support for a period of at least 12 months from the date of approval of these financial statements. The ultimate parent company has indicated its intention to continue to make available such funds as are needed by the Company during the going concern period.

As with any Company placing reliance on other Group entities for financial support, the directors of the Company acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Therefore, the directors consider, after making appropriate enquiries, that the Company has adequate resources to continue as a going concern and that the Company will be able to meet its obligations during the going concern period. Accordingly, the directors have adopted a going concern basis in preparing these financial statements.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. However, actual outcomes may differ from these estimates.

Information about significant areas of estimation uncertainty and critical judgements are as follows:

Recoverability of amounts owed by group undertakings

The recoverability of amounts owed by group undertakings is assessed at the balance sheet date based on liquidity projections of the Group. Provisions are made where recoverability is not deemed probable.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (period ended 31 May 2022 - £Nil).

5. Interest receivable and similar income

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Interest receivable from group companies	10,159,046	4,773,215

6. Interest payable and similar expenses

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Other loan interest payable	2,709,642	1,286,015
Loans from group undertakings	7,648,071	3,579,988
	10,357,713	4,866,003

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

7. Taxation

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Current tax on loss for the year/period	-	-
Total current tax	-	-

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 20% (2022 - 19%). The differences are explained below:

	Year ended 31 May 2023 £	Period ended 31 May 2022 £
Loss before tax	(219,193)	(92,788)
Loss multiplied by standard rate of corporation tax in the UK of 20% (2022 - 19%)	(43,839)	(17,630)
Effects of:		
Group relief surrendered	43,839	17,630
Total tax charge for the year/period	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

8. Fixed asset investments

	Investments in subsidiary companies £
Cost and net book value	
At 1 June 2022	1
At 31 May 2023	<u>1</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Wise Midco 2 Limited	Ordinary	100%
Wise Bidco Limited*	Ordinary	100%
With Wise Limited*	Ordinary	100%
Beamin Limited*	Ordinary	100%
Wise Tax Limited*	Ordinary	100%

** Indirect subsidiaries*

The registered address of the above subsidiary undertakings is 3rd Floor, Radcliffe House, Solihull, England, B91 2AA.

9. Debtors: amounts falling due after one year

	2023 £	2022 £
Amounts owed by group undertakings	<u>110,969,637</u>	<u>98,523,213</u>

Amounts owed by group are interest bearing at 10% and repayable on 30 November 2027.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

10. Creditors: amounts falling due within one year

	2023 £	2022 £
Other loans	-	862,075
Amounts owed to group undertakings	8,550	-
Accruals and deferred income	11,975	-
	<u>20,525</u>	<u>862,075</u>

Amounts owed to group undertakings disclosed above are interest free and due on demand.

11. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Shareholders' loans (unsecured)	35,572,536	23,859,440
Amounts owed to group undertakings	75,688,557	73,894,486
	<u>111,261,093</u>	<u>97,753,926</u>

Shareholders' loans are interest bearing at 10% per annum and repayable on 30 November 2027. £9,046,000 of new loans were issued during the year.

Amounts owed to group are interest bearing at 10% and repayable on 30 November 2027.

12. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Other loans	-	862,075
Amounts falling due between one and five years		
Shareholders' loans	35,572,536	-
Amounts falling due after more than five years		
Shareholders' loans	-	23,859,440
	<u>35,572,536</u>	<u>24,721,515</u>

Arrangement fees of £820,242 were incurred on the shareholders' loans, which have been deducted from the initial carrying value and will be charged to the profit or loss over the life of the loan. A charge of £110,325 (2022 - £51,075) has been recognised in the period which respect to the release of loan arrangement fees.

The loan principal and accrued interest is repayable in full on 30 November 2027.

Wise Midco Limited

Notes to the Financial Statements For the Year Ended 31 May 2023

13. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
1 (2022 - 1) ordinary share of £1	<u>1</u>	<u>1</u>

14. Reserves

The Company's capital and reserves are as follows:

Share capital

Called up share capital reserve represents the nominal value of the shares issued.

Profit and loss account

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

15. Related party transactions

The Company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the Group.

On 30 November 2021, by resolution of the Board, the Company created £23,435,500 10% unsecured shareholders' loans with a loan arrangement fee of £820,242. On 25 May 2023, the Company issued a further £9,046,000 10% unsecured shareholders' loans. Interest of £2,556,774 (2022 - £1,193,107) has been charged in the year on the loans. The outstanding balance at 31 May 2023 is £35,572,536 (2022 - £23,859,440).

The Company also received a bridging loan of £820,313 from its shareholders in prior year. Interest of £42,543 (2022 - £41,762) has been charged during the year. The outstanding balance at 31 May 2023 is £Nil (2022 - £862,075).

16. Controlling party

The ultimate controlling party and immediate parent company is Wise Topco Limited and is the parent of the largest and smallest group into which the results of the Company are consolidated. The address of Wise Topco Limited's registered office is 3rd Floor Radcliffe House, Solihull, England, B91 2AA.