

Company Number 926329

Federation of Oils, Seeds and Fats Associations Limited

Reports and Financial Statements 2022

A company limited by guarantee not having a share capital

Year ended 31 March 2022



PRESIDENT'S REVIEW



In April 2021, we began our new fiscal year with renewed hope that the worst of COVID was behind us, and normal life and work would resume.

Regrettably, it was not until late June that restrictions became more relaxed, and we were able to contemplate meeting in person again. Thankfully, our first opportunity arose in early November with a tremendous celebration at the FOSFA 50th Anniversary Annual Dinner in London where we hosted 295 guests from a dozen countries. I was also honoured and delighted to make my first formal public speech since becoming President.

Although it was an evening of celebration, we took a moment to remember

those we had lost including Mr. Hanns W. Salzer Levi who sadly passed away in October. He was the President of FOSFA between 1989/90, President and Honorary Member of NOFOTA and a highly respected figure in the Oils & Fats trade. On a brighter note, we were delighted to welcome Stuart Logan and his wife Geralyn to wish them well for the future following Stuart's retirement in August 2020. We also had the great honour of welcoming three Past Presidents Mike Kenna (1987/88), Martyn Woolf (1988/89) and Christian Meinich (2016/18) as our special 50th Anniversary guests.

To underline our commitment to education and lifelong learning, it was an immense pleasure to announce the launch of our new annual educational bursary in partnership with the Worshipful Company of Tallow Chandlers and in recognition of Stuart Logan's 27 years of service to the Federation and the industry. The new bursary provides four annual awards worth £2,500 that will provide deserving candidates the opportunity to attend FOSFA's residential education courses for years to come.

Although we were not able to proceed with the Introductory Course in September, I was pleased to announce the relocation our residential courses to the University of Greenwich campus in 2022, with better access to central London and the prospect of a gala dinner at the Tallow Chandlers' Hall.

We continued to make the most out of the re-opening of hospitality venues when forty guests joined the Chair of the Oils at Fats Committee, Jacqueline Stott for the Oils & Fats Dinner in early December, hosted at the Tallow Chandlers' Hall. Sadly, another lockdown prevented me and deputy president, Leona Tout from attending.

However, it was not just a year of celebration, as our new Chief Executive, Iain Nicol led a thorough strategic review of the Federation with input from Council, committees, members, and the secretariat team to produce a five-year Business Plan, which Council approved in September. In summary, our vision is to provide contracts and services that keep global trade and transportation of oils, seeds and fats simple and reliable. This will be achieved by focussing on four strategic priorities: to deliver more value to our members; develop the standards of our services; improve our governance; and expand our reach in key regions of the world. It is an ambitious plan that will keep Iain, his team, Council, and committees busy for some time and includes exciting plans to modernise the Federation without losing sight of the core strengths, achievements, and values that we have all worked hard to establish over many years.

Our financial strength continues to be underpinned by our loyal membership, with over 90% renewing their subscription in the year to March 2022. Good cost management helped us accrue Admin. and Committee costs savings of circa £70k vs. budget helped of course, by reduced travel. Our investment managers continued to provide good guardianship of our investment portfolio which provided healthy reserves of £8,313,565 as of 31 March 2022.

FOSFA Members are the lifeblood of the Federation and I thank you for your continued confidence and support of our activities and the dedicated support of those people who diligently serve and protect your interests via our Section Committees, Technical Committee, Arbitration and Appeals Committee and Contracts Committee. I would also like to thank immediate Past President, Remond van Dorland, Deputy President, Leona Tout, my fellow Council colleagues, and the Secretariat team for their continued resilience during yet another challenging year. I now look forward to handing over the Presidency to Leona Tout in November 2022 and a modern, optimistic, confident, and progressive FOSFA International.

D C Vriens, President

CHIEF EXECUTIVE'S REPORT



Although we started the new financial year continuing to work remotely, the 42% of members who completed our Membership Survey earlier in January provided the Executive and Secretariat of the Federation with plenty of valuable feedback that was used to inform and direct a thorough strategic review of our activities and operations which culminated in a new 5-year Business Plan that was endorsed by Council in September.

I must thank the Council, past President Henk Ensing, my Secretariat colleagues, and members of the special operational group that we set up for their insight, expertise, knowledge and wise counsel in our discussions, deliberations, and decision-making. I am confident their hard work and valuable contributions will lead to a positive new era for the ongoing growth and development of the Federation.

For over fifty years, FOSFA International Standard Form Contracts have provided the bedrock for the global free trade in oils, seeds and fats. Our prestigious history, strong legacy, financial strength, and the endorsement of our membership are key advantages in priming our modernisation strategy that aims to: attract, engage, and connect more members, develop our Contracts, Technical, Arbitration, Education services so that they remain valuable and relevant to the trade, improve our governance by strengthening and broadening trade representation on our committees and expand our reach in important regions of the globe through partnership and initiative.

To this end, £57k was invested during 2021 in membership research, IT systems, business consultancy, website/brand development and new conferencing communications. Further investment of circa £100k - £150k has been approved by Council over the next two years to establish FOSFA International as a modern membership organisation to enable it to achieve its strategic and operational priorities and ambitions. It will involve modernising our technology tools to improve operational administration, governance, and communications that support our 1,200 members and associated key stakeholders.

The last two years has changed member expectations and their engagement with FOSFA and with a small secretariat team, we must ensure that our services and communications keep our members and committees informed, engaged, and involved.

Our President was determined to have at least one physical meeting during the year, and it seemed entirely appropriate that the occasion that brought Council together in person was our AGM and the Annual Dinner in November. It also provided me with the opportunity to finally meet and greet members in person at our 50th Anniversary Annual Dinner and despite a more modest attendance than usual there was a fabulous atmosphere with many members meeting for the first time in over a year. I look forward to welcoming and meeting many more of you at our new London venue, The Brewery in November 2022 and in mainland Europe in 2023.

As members will be aware, we have a modest secretariat of seven people, who have worked extremely hard to provide you with a continuous service during the last two years and so I end this report by thanking them for their resilience, dedication, determination, and patience, particularly with my numerous questions and queries whilst diligently providing excellent guardianship and governance of the Federation's services.

A handwritten signature in black ink, appearing to read 'Iain C Nicol'. The signature is stylized with a large, looping 'I' and a cursive 'Nicol'.

Iain C Nicol

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
Turnover	3	2,226,283	1,383,279
Direct Operating Expenditure		<u>(1,394,268)</u>	<u>(610,837)</u>
Gross Surplus		832,015	772,442
Other Operating Expenses		<u>(848,212)</u>	<u>(760,474)</u>
Operating Surplus	5	(16,197)	11,968
Investment Income		84,785	94,687
Investment Managers Fees		(57,342)	(48,562)
Interest Receivable		25	118
Changes in Fair Value of Fixed Asset Investments	9	<u>316,931</u>	<u>1,053,488</u>
		<u>344,399</u>	<u>1,099,731</u>
Surplus on ordinary activities before taxation		328,202	1,111,699
Taxation on ordinary activities	7	<u>(114,135)</u>	<u>(142,192)</u>
Accumulated (Deficit)/Surplus for the Year		214,067	969,507
Retained Surplus Brought Forward		<u>7,316,685</u>	<u>6,347,178</u>
Retained Surplus Carried Forward		<u>7,530,752</u>	<u>7,316,685</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the income and expenditure account.

There was no other comprehensive income for 2022 (2021: nil).

The Notes on pages 5 to 8 inclusive form part of these Accounts.

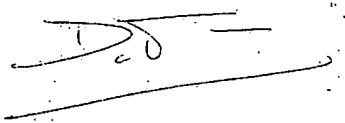
BALANCE SHEET
AT 31 MARCH 2022

COMPANY NUMBER: 926329

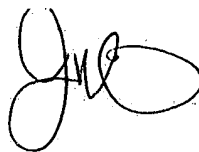
	Notes	£	2022 £	£	2021 £
Fixed Assets					
Tangible Assets	8		14,882		19,490
Investments	9		<u>8,304,639</u>		<u>8,210,256</u>
			8,319,521		8,229,746
 Rent Deposit	 10		 22,285		 22,285
Current Assets					
Stocks		2,138		4,520	
Debtors	11	383,727		273,968	
Cash at Bank and in hand		<u>586,614</u>		<u>340,825</u>	
		972,479		619,313	
 Creditors - amounts falling due within one year	 12	 <u>(1,491,656)</u>		 <u>(1,366,517)</u>	
Net Current Liabilities			(519,177)		(747,204)
 Creditors - amounts falling due after one year	 12	 <u>(291,877)</u>		 <u>(188,142)</u>	
Net Assets			7,530,752		7,316,685
 Capital and Reserves Accumulated Fund			 <u>7,530,752</u>		 <u>7,316,685</u>

These financial statements have been prepared in accordance with the provisions of the small companies' regime within Part 15 of the Companies Act 2006 and with Financial Reporting Standard 102 section 1A – small entities.

Approved by the Council and authorised for issue on 8 September 2022 and signed on its behalf by:



D C Vriens
President



I C Nicol
Chief Executive

The Notes on pages 5 to 8 inclusive form part of these Accounts.

FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Company Information

The Federation of Oils, Seeds and Fats Associations Limited is a private company, limited by Guarantee, incorporated in England and Wales, registration number 926329. The registered office is 4-6 Throgmorton Avenue, London EC2N 2DL. The principal activity is the issuance of internationally recognised and accepted contract forms.

2 Accounting Policies

2.1 Basis of Accounting

The Financial Statements are prepared in accordance with:

(i) Financial Reporting Standard 102; and

(ii) The directors have taken advantage of the small companies exemptions provided by section 1A of FRS102.

Going Concern

The Directors have considered how COVID-19 could affect the accounting policies that underlie these financial statements, and have reviewed income budgets, asset valuations and made assessments regarding possible uncertainties and the adequacy of disclosures. Following this review the Directors consider that there are sufficient reserves at 31 March 2022 to manage any foreseeable downturn in the UK and global economy and that there is a reasonable expectation the company has adequate resources to continue in operational existence for the foreseeable future and for this reason, the Directors continue to adopt the 'going concern' basis in preparing the accounts.

2.2 Income

Income is accounted for on an accruals basis with the exception of arbitrations and appeals income which is accounted for on issue of the award.

2.3 Stock

Stock is stated at the lower cost and net realisable value.

2.4 Investments

All investments have been classified as fixed assets and are stated at market value. Changes in fair value are recognised in the Income and Expenditure statement.

2.5 Depreciation

Depreciation is provided on all tangible assets in use, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows –

Leasehold improvements	10% straight line	Computer hardware	33⅓% straight line
Office equipment	25% straight line	Motor vehicles	25% straight line

A full year of depreciation is charged in the year of purchase, there is no part-year time apportionment.

2.6 Leases

Rentals payable under operating leases are charged on a straight line basis over the lease term.

2.7 Pension Costs

The Federation operates a money purchase pension scheme. The scheme assets are held separately from those of the Federation. Contributions to the scheme are charged to the Income and Expenditure Account as they fall due.

2.8 Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the Balance Sheet date. All exchange differences are taken to the Income and Expenditure Account.

FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED

2.9 Debtors and Creditors

Short term debtors and creditors are measured at transaction price, less any impairment.

3 Turnover

Turnover represents amounts invoiced. An analysis of turnover by geographical market is as follows -

	2022	2021
	£	£
United Kingdom	89,060	83,654
Rest of the World	<u>2,137,223</u>	<u>1,299,625</u>
	<u>2,226,283</u>	<u>1,383,279</u>

4 Pension Costs

The outstanding contribution as at the balance sheet date was £4,810 (2021: £8,057).

The contributions made during the year to the money purchase scheme were £33,360 (2021: £35,800).

Employees

The average number of staff during 2022 was 7 (2021: 7). There were no holiday pay accrual costs in the year.

5 Operating Deficit / Surplus

This is stated after charging

	2022	2021
	£	£
Auditors' remuneration for Audit Services	12,625	12,625
Non-Audit Services	3,500	3,500
Depreciation of fixed assets	8,325	14,442

6 Investment Income

	2022	2021
	£	£
Income from listed investments, and bank interest receivable	84,810	94,805

7 Taxation

	2022	2021
	£	£
Corporation Tax		
Current tax charge	NIL	NIL
(Over)/Underprovision for previous periods	<u>-</u>	<u>-</u>
	<u>NIL</u>	<u>NIL</u>
Deferred taxation		
Origination of timing differences	<u>114,135</u>	<u>142,192</u>
Tax on profits on ordinary activities	<u>114,135</u>	<u>142,192</u>

Based on the deficit for the year at 19% (2021: 19%)

(Deficit) / Surplus for the period	<u>328,263</u>	<u>1,111,699</u>
(Deficit) / Surplus on ordinary activities multiplied by Corporation Tax in UK of 19% (2021: 19%)	62,370	211,223
Effects of:		
Non-taxable Income and non-deductible expenses	4,507	(92,259)
Tax losses carried forward	<u>47,258</u>	<u>23,228</u>
Taxation on ordinary activities	<u>114,135</u>	<u>142,192</u>

FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED

Provisions for liabilities and charges	2022	2021
Deferred tax	£	£
Balance at 1 April 2021	164,743	22,551
Transfer from profit and loss account	<u>114,135</u>	<u>142,192</u>
Balance at 31 March 2022	<u>278,878</u>	<u>164,743</u>

8 Tangible Fixed Assets

	Leasehold Improvement	Office Equipment	Total
	£	£	£
Cost At 1 April 2021	<u>53,307</u>	<u>15,379</u>	<u>68,686</u>
Additions	-	3,717	3,717
Disposals	-	-	-
At 31 March 2022	<u>53,307</u>	<u>19,096</u>	<u>72,403</u>
Depreciation as at 1 April 2021	<u>37,317</u>	<u>11,879</u>	<u>49,196</u>
Disposals	-	-	-
Charge for year	<u>5,332</u>	<u>2,993</u>	<u>8,325</u>
At 31 March 2022	<u>42,649</u>	<u>14,872</u>	<u>57,521</u>
Net book value at 31 March 2022	<u>10,658</u>	<u>4,224</u>	<u>14,882</u>
Net book value at 31 March 2021	<u>15,990</u>	<u>3,500</u>	<u>19,490</u>

9 Fixed Asset Investments

	2022	2021
	£	£
Market value brought forward	8,210,256	7,110,367
Less cash held by investment manager	(1,643,524)	(881,857)
Additions	1,856,545	1,707,382
Disposals	(1,128,178)	(2,422,648)
Changes in fair value	316,931	1,053,488
Cash held by investment manager	<u>692,609</u>	<u>1,643,524</u>
Closing Market carried forward	<u>8,304,639</u>	<u>8,210,256</u>

10 Rent Deposit

The deposit paid to the Landlord for the currently occupied premises, to be repaid at the end of the lease.

11 Debtors

	2022	2021
	£	£
Trade Debtors	258,898	196,248
Other Debtors	95,675	77,720
VAT	<u>29,154</u>	-
	<u>383,727</u>	<u>273,968</u>

12 Creditors – amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	111,715	123,315
Other Taxes and Social Security Costs	26,477	10,250
Other creditors	561,166	442,152
Accruals and deferred income	<u>792,298</u>	<u>790,800</u>
	<u>1,491,656</u>	<u>1,366,517</u>

FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED

Creditors – amounts falling due after one year	2022	2021
	£	£
Deferred Tax	278,878	164,743
Accruals and deferred income	<u>12,999</u>	<u>23,399</u>
	<u>291,877</u>	<u>188,142</u>

13 Operating Lease Commitments

Land and Buildings

At the year end, the company had future minimum lease payments under non-cancellable leases as follows:

	2022	2021
	£	£
1 year	89,139	89,139
2 to 5 years	<u>111,424</u>	<u>200,563</u>
	<u>200,563</u>	<u>289,702</u>

Photocopier Lease

At the year end, the company had future minimum lease payments under non-cancellable leases as follows:

	2022	2021
	£	£
1 year	1,230	1,230
2 to 5 years	<u>1,025</u>	<u>2,254</u>
	<u>2,255</u>	<u>3,484</u>

14 Related party transactions

Fees were paid to Directors in respect of Arbitration activities in the amount of £44,865 (2021: £16,459).

COUNCIL REPORT

The Council has pleasure in presenting its Report and Financial Statements for the Year Ended 31 March 2022. The Report has been prepared in accordance with the special provisions relating to small companies.

Primary Activities continue to be the issuance of internationally recognised and accepted contract forms and the organisation and administration of an effective and efficient arbitration service.

Secondary Activities Cover:

- ♦ the administration and management of an education and training programme;
- ♦ the operation of a Consultancy and Advisory Service and a Legal, Scientific and Technical Information Service;
- ♦ the administration of Schemes for Member Analysts and Member Superintendents associated with the development of methods of sampling and analysis;
- ♦ liaison with kindred bodies, Governments, etc. to standardise practices for the good of the international trade.

Council

Members of the Council during the year consisted of:

Mr L Dorrestein
Mr T Eigenraam (resigned 2 September 2021)
Mr J M Francois
Miss J F Stott
Mr B A Tappy (appointed 9 September 2021)

Ms L Tout
Mr R A van Dorland (resigned 23 June 2022)
Mr W R van Kempen (appointed 2 September 2021)
Mr D C Vriens

Share Capital

As a company limited by guarantee the Federation does not have share capital. In the event of the winding up or dissolution of the Federation the members are liable to contribute an amount not exceeding £100 towards the debts and liabilities of the Federation. There were 1,197 members as at 31 March 2022.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Auditor

A resolution to re-appoint Crowe UK LLP will be proposed at the forthcoming Annual General Meeting.

Statement of Council Members' Responsibilities for the Accounts

The Council Members, as the company directors, are responsible for preparing the Council Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

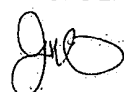
Under company law the Council Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the Council Members are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgments and accounting estimates that are reasonable and prudent;
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council Members 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BY ORDER OF THE COUNCIL



I C Nicol
Chief Executive
8 September 2022

Independent Auditor's Report to the Members of the Federation of Oils, Seeds and Fats Associations Limited

Opinion

We have audited the financial statements of the Federation of Oils, Seeds and Fats Associations Limited for the year ended 31 March 2022 which comprise the income and expenditure account, the Balance sheet, and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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 directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 company, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and cut-off of certain income streams. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on income recognised in the accounts, cut off testing, review of post year end sales credit notes and reviewing any accounting estimates for biases.

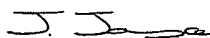
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Aquis House

49-51 Blagrove Street

Reading

Berkshire

RG1 1PL

Date: 27 September 2022