

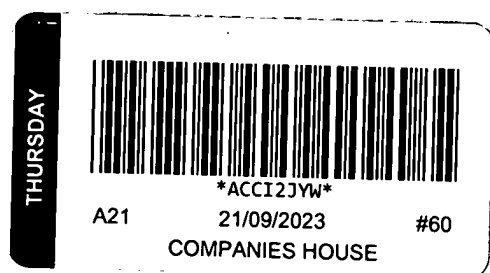
Company Number 926329

Federation of Oils, Seeds and Fats Associations Limited

Reports and Financial Statements 2023

A company limited by guarantee not having a share capital

Year ended 31 March 2023



PRESIDENT'S REVIEW



The start of our financial year was, of course, dominated by the Russia/Ukraine war and its dreadful impact on our members, colleagues and their families living and working in the region. As the war continues to disrupt the supply chain of essential commodities and devastate the lives of people affected, we all hope and pray for an end to the hostilities. In the meantime, we continue to serve our members and navigate its effects on trading and execution.

As all COVID restrictions ended in England and our Secretariat returned to normal working routines, we were delighted to re-launch our Introductory and Advanced Trade Education courses in September which Council decided to run in parallel, for the first time. The University of Greenwich was chosen as a new venue with

its historic and prestigious maritime heritage and proximity to central London. It was heartening to welcome eighty-one delegates from twenty-five countries who attended the two, week-long courses, after a two-year hiatus.

New venues were a common theme in 2022 as we announced that our Annual Dinner would be hosted at The Brewery, located in the City of London, in November. The relaxation of international travel restrictions prompted over 700 colleagues from the trade to come together for an evening of celebration, reconnection, and a little magic.

The evening presented me with the opportunity to make my maiden speech as FOSFA President during which I referred to the ongoing unpredictability of global events and market volatility as war in Ukraine continued to challenge the trade combined with price inflation and the threat of recession weighing heavily on the world economy. I also reflected on some veterans from the trade that we lost during the year including Monsieur Fabien Bismouth who passed away aged 89 and Monsieur Robert Peyer aged 94. We also lost our dear friend and colleague, Remond Van Dorland who sadly passed away in June.

But we also celebrated and recognised three special people who between them, had served FOSFA for nearly one hundred and fifty years namely, Mr Geert Vanmarcke (pictured right), Mr Mark Bennett and Mr John Smith (who sadly passed away in June 2023). I was also honoured to present the FOSFA Trade Education Merit Awards to Giang Mai, Operations Executive, Wilmar Europe Trading, Netherlands, Eva Stehle, Rapeseed Trader, Cargill, Germany and Khalil Sadi, Palm Oil Trader at Sogescol, Switzerland who received certificates and a specially engraved candlestick, courtesy of the Tallow Chandlers.



Our Chief Executive, Iain Nicol continued the delivery of our strategic objectives including the major development of a new CRM System, the introduction of FOSFA electronic Seals for Analyst members and the development of a Superintendent Accreditation Scheme. These projects combine to support the modernisation and expansion of FOSFA services in the years to come that will also include the provision of online educational resources from 2024.

Financially, we continue to be in good shape, driven by our loyal membership and high renewal rates, the restoration of our trade events and good management of our direct costs. Our continued investment in IT infrastructure including new cyber security tools and development of our CRM resulted in a planned operating deficit that was well within our budget. The overall decline in our turnover of circa £155k compared to the previous year was due to a decrease in the number of arbitrations which offset increases in other income.

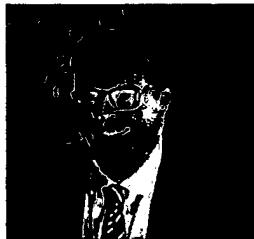
Our retained Reserves of £7,245,226 (as of 31 March 2023) declined by 4% (£285k) compared to the previous year primarily due to changes in Fair Market Value which were significantly more favourable last year. Our investment managers and oversight by our investment advisory group continued to provide good guardianship of our investment portfolio.

The dedication and commitment of those who generously give their time to serve on our Committees is hugely appreciated as is the continued support of our membership. Lastly, I am grateful to the immediate Past President, Daan Vriens, our new Deputy President, Santiago Visca, my fellow Council colleagues, and the Secretariat for their continued hard work in getting us back on track after the challenges of the past few years.

A black and white signature of L. Tout, the President of FOSFA. The signature is written in a cursive, flowing style.

L Tout, President

CHIEF EXECUTIVE'S REPORT



The ending of all COVID restrictions in England meant that the Secretariat could confidently work towards the restoration of a full annual schedule of events and activities which included running both Introductory and Advanced Courses at a fabulous new venue, the University of Greenwich, and the welcome return of a fully booked Annual Dinner at another new venue located in heart of London, The Brewery.

It was a great pleasure to announce the awarding of our first four £2,500 educational bursaries to applicants from The Netherlands, South Africa, and Ukraine, of which three attended our courses in September. I was extremely grateful to see 81 delegates from 25 countries converge at the University of Greenwich and to work with our fantastic team of 22 lecturers without whom we could not host the event. Leading experts in their fields brought deep knowledge, and trade experience to present over 40 educational sessions that covered subjects from trading and contracts, arbitration, shipping, logistics, superintending, the law, oleochemicals and finance. I must also thank my Secretariat colleagues Carla Ewens, Tiffany Lark and Gretel Bescoby for their hard work, patience, and support in making both courses such a great success.

I was deeply saddened by the passing of Remond Van Dorland on the 21 June. Remond had interviewed me in early 2020 me with Daan Vriens and I was hugely grateful and thankful for his help, support and wise counsel since joining FOSFA. He is greatly missed.

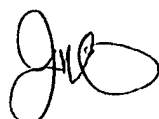
As part of our modernisation programme, it was gratifying to announce the of launch the new electronic Contractual Analysis Seal (FOSFA e-Seal) in October 2022 and which came into effect from the end of March 2023. This important initiative ensures that all Analyst members have access to the FOSFA Seal which can be added electronically to the "Certificate of Analysis" (CoA) and now enables Analyst members to issue electronic certificates that incorporate the FOSFA e-Seal. Although, the printed FOSFA Seal remains valid, we expect it will be phased out over time.

Since their inception, FOSFA Contracts have been subject to continuous refinement and improvement via our two Section Committees and Contracts Committee. This was evidenced by Council's approval of a recommendation from the Oilseeds Committee to formalise the common trade practise to retain samples for three-months. This amendment was introduced into all FOSFA Oilseeds Contracts (effective from April 2023). At the same time, the "Strikes etc" Clause incorporated into FOSFA American/Canadian Contracts was replaced with the FOSFA standard "Force Majeure" clause to align these contracts with more standard terms and keep FOSFA Contracts relevant and reliable.

The return of our travel freedoms enabled the FOSFA secretariat to re-connect with our wider community, trade colleagues and kindred associations by attending trade events, conferences and dinners including the GROFOR Dinner, Hamburg, UCOGRAS Contact Reception, Antwerp, POC '23, Kuala Lumpur, ISO Committee, France, Sustainable Oils & Fats International Congress, Lisbon and Oleofuels, Seville. We look forward to meeting members in South America, India and South East Asia in the near future.

Our membership remained stable at just under 1,200 members in 89 countries (as of 31 March 2022) which was buoyed by Council's decision to continue the 30% discount for early renewal. Our sustained membership income, fully subscribed Trade Education courses and Annual Dinner attendance of 700 helped us exceed our income budget. This, combined with good cost management, offset some of the ongoing investment costs of our new CRM system and helped us deliver a better bottom line performance than expected.

The Secretariat team remain committed and dedicated to providing FOSFA members and other stakeholders with a professional service and good guardianship of the Federation's principles and values. We look forward to continuing to develop and enhance these services as we launch our new administration/governance software and systems.

A handwritten signature in black ink, appearing to read 'Iain C Nicol'.

Iain C Nicol

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Turnover	3	2,030,061	2,226,283
Direct Operating Expenditure		<u>(1,144,319)</u>	<u>(1,394,268)</u>
Gross Surplus		885,742	832,015
Other Operating Expenses		<u>(977,726)</u>	<u>(848,212)</u>
Operating Deficit	5	(91,984)	(16,197)
Investment Income		133,647	84,785
Investment Managers Fees		(58,463)	(57,342)
Interest Receivable		1,923	25
Changes in Fair Value of Fixed Asset Investments	9	<u>(357,026)</u>	<u>316,931</u>
		<u>(279,919)</u>	<u>344,399</u>
(Deficit)/Surplus on ordinary activities before taxation		(371,903)	328,202
Taxation on ordinary activities	7	<u>86,377</u>	<u>(114,135)</u>
Accumulated (Deficit)/Surplus for the Year		(285,526)	214,067
2022 Taxation repayment 18,212			
Retained Surplus Brought Forward		<u>7,530,752</u>	<u>7,316,685</u>
Retained Surplus Carried Forward		<u>7,245,226</u>	<u>7,530,752</u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the income and expenditure account.

There was no other comprehensive income for 2023 (2022: nil).

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

BALANCE SHEET

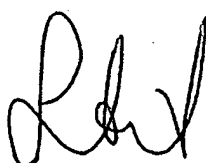
AT 31 MARCH 2023

COMPANY NUMBER: 926329

	Notes	£	2023 £	2022 £
Fixed Assets				
Tangible Assets	8		8,094	14,882
Investments	9		<u>8,022,556</u>	<u>8,304,639</u>
			8,030,650	8,319,521
 Rent Deposit	 10		 22,285	 22,285
 Current Assets				
Stocks		1,871	2,138	
Debtors	11	450,987	383,727	
Cash at Bank and in hand		<u>650,956</u>	<u>586,614</u>	
		1,103,814	972,479	
 Creditors - amounts falling due within one year	 12	 <u>(1,698,271)</u>	 <u>(1,491,656)</u>	
Net Current Liabilities			(594,457)	(519,177)
 Creditors - amounts falling due after one year	 12	 <u>(213,252)</u>	 <u>(291,877)</u>	
Net Assets			7,245,226	7,530,752
 Capital and Reserves Accumulated Fund			<u>7,245,226</u>	<u>7,530,752</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 7 September 2023 and signed on its behalf by:



L. Tout
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 2023

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 reviewed and considered the income budgets, asset valuations and made assessments regarding possible uncertainties and the adequacy of disclosures. Consequently, the Directors consider that there are sufficient reserves at 31 March 2023 to manage any foreseeable downturn in the UK and global economy and that there is a reasonable expectation the Federation has adequate resources to continue to operate 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	Motor vehicles	25% straight line
Office equipment	33% 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 -

	2023	2022
	£	£
United Kingdom	51,250	89,060
Rest of the World	<u>1,978,811</u>	<u>2,137,223</u>
	<u>2,030,061</u>	<u>2,226,283</u>

4 Pension Costs

The outstanding contribution as at the balance sheet date was £5,460 (2022: £4,810).

The contributions made during the year to the money purchase scheme were £40,714 (2022: £33,360).

Employees

The average number of staff during 2023 was 7 (2022: 7). There were no holiday pay accrual costs in the year.

5 Operating Deficit / Surplus

This is stated after charging

	2023	2022
	£	£
Auditors' remuneration for Audit Services	15,150	12,625
Non-Audit Services	3,950	3,500
Depreciation of fixed assets	9,092	8,325

6 Investment Income

	2023	2022
	£	£
Income from listed investments, and bank interest receivable	135,570	84,810

7 Taxation

	2023	2022
	£	£
Corporation Tax		
Current tax charge	NIL	NIL
(Over)/Underprovision for previous periods	-	-
	<u>NIL</u>	<u>NIL</u>
Deferred taxation		
Origination of timing differences	<u>(86,377)</u>	<u>114,135</u>
Tax on profits on ordinary activities	<u>(86,377)</u>	<u>114,135</u>

Based on the deficit for the year at 19% (2022: 19%)

(Deficit) / Surplus for the period	<u>(371,903)</u>	<u>328,263</u>
(Deficit) / Surplus on ordinary activities multiplied by Corporation Tax in UK of 19% (2022: 19%)	(70,662)	62,370
Effects of:		
Non-taxable Income and non-deductible expenses	(48,893)	4,507
Tax losses carried forward	51,330	47,258
Prior year 2022 taxation repayment	<u>(18,152)</u>	-
Taxation on ordinary activities	<u>(86,377)</u>	<u>114,135</u>

Provisions for liabilities and charges	2023	2022
Deferred tax	£	£
Balance at 1 April 2022	278,878	164,743
Transfer from profit and loss account	<u>(68,225)</u>	<u>114,135</u>
Balance at 31 March 2023	<u>210,653</u>	<u>278,878</u>

8 Tangible Fixed Assets

	Leasehold Improvement £	Office Equipment £	Total £
Cost At 1 April 2022	<u>53,307</u>	<u>19,096</u>	<u>72,403</u>
Additions	-	2,304	2,304
Disposals	-	-	-
At 31 March 2023	<u>53,307</u>	<u>21,400</u>	<u>74,707</u>
Depreciation as at 1 April 2022	<u>42,649</u>	<u>14,872</u>	<u>57,521</u>
Disposals	-	-	-
Charge for year	<u>5,332</u>	<u>3,760</u>	<u>9,092</u>
At 31 March 2023	<u>47,981</u>	<u>18,632</u>	<u>66,613</u>
Net book value at 31 March 2023	<u>5,326</u>	<u>2,768</u>	<u>8,094</u>
Net book value at 31 March 2022	<u>10,658</u>	<u>4,224</u>	<u>14,882</u>

9 Fixed Asset Investments

	2023	2022
	£	£
Market value brought forward	8,304,639	8,210,256
Less cash held by investment manager	(692,609)	(1,643,524)
Additions	1,518,188	1,856,545
Disposals	(1,388,058)	(1,128,178)
Changes in fair value	(357,026)	316,931
Cash held by investment manager	<u>637,422</u>	<u>692,609</u>
Closing Market carried forward	<u>8,022,556</u>	<u>8,304,639</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

	2023	2022
	£	£
Trade Debtors	175,513	258,898
Other Debtors	104,651	95,675
VAT	<u>170,823</u>	<u>29,154</u>
	<u>450,987</u>	<u>383,727</u>

12 Creditors – amounts falling due within one year

	2023	2022
	£	£
Trade Creditors	192,793	111,715
Other Taxes and Social Security Costs	21,263	26,477
Other creditors	625,749	561,166
Accruals and deferred income	<u>858,466</u>	<u>792,298</u>
	<u>1,698,271</u>	<u>1,491,656</u>

Creditors – amounts falling due after one year	2023	2022
	£	£
Deferred Tax	210,653	278,878
Accruals and deferred income	<u>2,599</u>	<u>12,999</u>
	<u>213,252</u>	<u>291,877</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:

	2023	2022
	£	£
1 year	90,777	89,139
2 to 5 years	<u>22,694</u>	<u>111,424</u>
	<u>113,471</u>	<u>200,563</u>

Photocopier Lease

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

	2023	2022
	£	£
1 year	1,076	1,230
2 to 5 years	<u>-</u>	<u>1,025</u>
	<u>1,076</u>	<u>2,255</u>

14 Related party transactions

Fees were paid to Directors in respect of Arbitration activities in the amount of £74,052 (2022: £44,865).

COUNCIL REPORT

The Council has pleasure in presenting its Report and Financial Statements for the Year Ended 31 March 2023. 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:

Ms D Barzackha (appointed 31 August 2022)
Mr L Dorrestein (resigned 31 August 2022)
Mr J M Francois
Miss J F Stott
Mr B A Tappy

Ms L Tout
Mr R van Dorland (deceased 21 June 2022)
Mr W R van Kempen
Mr S Visca (appointed 9 November 2022)
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 1,219 members as at 31 March 2023.

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
7 September 2023

FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED

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 2023 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 2023 and of its deficit 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. 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, and reviewing any accounting estimates for biases.

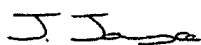
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing 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: 13 September 2023