

Limited Liability Partnership Registration No. OC300878 (England and Wales)

FORESIGHT GROUP LLP

**MEMBERS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2021

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FORESIGHT GROUP LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated Members	G Fraser Foresight Holdco 2 Limited
Limited liability partnership number	OC300878
Registered office and business address	C/O Foresight Group LLP The Shard 32 London Bridge Street London SE1 9SG
Auditors	BDO LLP 55 Baker Street London W1U 7EU
Bankers	Bank of Scotland P.O. Box No.5 The Mound Edinburgh EH1 1YZ

FORESIGHT GROUP LLP

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FORESIGHT GROUP LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Principal activities and review of the business

Foresight Group LLP ("the LLP") is a leading independent investment manager in the United Kingdom. It is part of the wider Foresight Group with £7.2 billion (2020: £4.5 billion) of assets under management, raised from institutional investors, family offices, private and high net-worth individuals.

The results for the period and the financial position at the period end were considered satisfactory by the members. The members expect continued growth in the foreseeable future.

The LLP's turnover and profit for the financial year before members' remuneration and profit shares was £58,904,179 (2020: £34,477,242) and £20,033,233 (2020: £13,322,153) respectively.

Parent company admission to London Stock Exchange and group reorganisation

The ultimate parent company of the LLP is Foresight Group Holdings Limited ("FGHL"), a company registered in Guernsey. On 4 February 2021, FGHL was admitted to the London Stock Exchange. In order to implement a corporate structure that was appropriate upon admission, a corporate reorganisation was undertaken.

Foresight Group CI Limited, the former immediate parent entity of the LLP, transferred its rights in the LLP to a fellow group member Foresight Holdco 2 Limited. Following the transaction, Foresight Holdco 2 Limited became the immediate parent entity and corporate member of the LLP. Ordinary and participating members ceased to be entitled to discretionary distributions from the LLP with Foresight Holdco 2 Limited becoming entitled to such profits.

The LLP also transferred certain of its UK subsidiaries to another group undertaking, Foresight Group Holdings (UK) Limited.

Going concern

These financial statements have been prepared on the going concern basis.

The Members of the LLP have considered the resilience of the LLP, taking into account its current financial position and the principal and emerging risks facing the business, including the impact of COVID 19 on global markets and potential implications for the LLP's financial performance. The members reviewed the LLP's cash flow forecasts and trading budgets for a period of at least 12 months from the date of approval of these accounts, and concluded that, taking into account plausible downside scenarios that could reasonably be anticipated, the LLP will have sufficient funds to pay its liabilities as they fall due for that period. Taking into consideration the impact of COVID 19 on the wider economic environment, the forecasts have been stress tested to ensure that a robust assessment of the LLP's working capital and cash requirements has been performed. The stress test scenarios adopted involved severe but plausible downside scenarios with respect to the LLP's trading performance. Any mitigating actions available to protect working capital and strengthen the balance sheet, including deferring non-essential capital expenditure and increasing cost control were also taken into account.

In considering the above, the Members have formed the view that the LLP will generate sufficient cash to meet its ongoing liabilities as they fall due for at least the next 12 months; accordingly, the going concern basis of preparation has been adopted.

Designated Members

The following designated members have held office since 1 April 2020:

G Fraser

Foresight Holdco 2 Limited (appointed 9 February 2021)

P D English (resigned 31 May 2021)

Foresight Group CI Limited (resigned 9 February 2021)

FORESIGHT GROUP LLP

MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Policy on members' drawings and capital

As described above, a group reorganisation was undertaken on the IPO of the ultimate parent company. As part of this reorganisation, Foresight Holdco 2 Limited became the new corporate member of the LLP and at the same time a new LLP agreement was entered into. Ordinary and participating members thereafter were entitled to Tier One profit share with the balance remaining being allocated to the corporate member. Each member is entitled to draw their Tier One profit share except at the discretion of the Executive Committee in respect of ordinary members if there is insufficient operating profits to cover such payment.

Each member is required to contribute ordinary capital in the LLP in an amount equal to at least 25% of anticipated tier one profit share for the following accounting period. Any further capital required by the LLP shall be provided by the corporate member. Ordinary capital is only repaid on resignation of the member, the winding up of the LLP, if any excess capital has been contributed or following an ordinary resolution.

Regulatory disclosures – Pillar III

The LLP has documented the Pillar III disclosures required by the FCA under BIPRU 11. These are available on the Foresight Group website or from the registered office.

Statement of members' responsibilities

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the Limited Liability Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under these regulations the 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 Limited Liability Partnership and of the profit or loss for that year.

In preparing these financial statements, the members are required to:

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions, disclose with reasonable accuracy at any time the financial position of the LLP, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

All of the members as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the LLP's auditor is unaware.

On behalf of the members



G Fraser

Designated Member

27 July 2021

FORESIGHT GROUP LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORESIGHT GROUP LLP

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted IFRS recognition and measurement principles, together with FRS 101 "Reduced Disclosure Framework" (FRS101); and
- have been prepared in accordance with the requirements of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Foresight Group LLP ("the Limited Liability Partnership") for the year ended 31 March 2021 which comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including UK-adopted IFRS recognition and measurement principles and Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) .

Basis of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Limited Liability Partnership 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' 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 Limited Liability Partnership'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 Members with respect to going concern are described in the relevant sections of this report.

Other information

The Members are responsible for the other information. The other information comprises the information included in the members' 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.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FORESIGHT GROUP LLP

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting as applied to limited liability partnerships

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships requires us 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of Members' responsibilities, the Members 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 Members 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 Members are responsible for assessing the Limited Liability Partnership'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 Members either intend to liquidate the Limited Liability Partnership 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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 framework applicable to the Limited Liability Partnership. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (International accounting standards in conformity with the requirements of the Companies Act 2006 and the Companies act 2006 applied to Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 as well as those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities.
- We enquired of management to identify how the Limited Liability Partnership is complying with those legal and regulatory frameworks and whether there were any known instances of non-compliance, or any actual, suspected or alleged fraud. We corroborated our enquiries through review of relevant regulatory compliance information and correspondence.

FORESIGHT GROUP LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FORESIGHT GROUP LLP

- We assessed the risk of susceptibility of the Limited Liability Partnership's financial statements to material misstatement, including how fraud might occur and determined the principle risks related to revenue recognition and management bias in accounting estimates. In particular we challenged management on the appropriateness of accounting estimates related to the incremental borrowing rates applied to leases and also assessed the reasonableness of the source information for the fair value of investments in underlying funds.
- We considered the entity's control environment that has been established to prevent, detect and deter fraud in particular in relation to revenue recognition. Furthermore, we performed specific procedures over revenue recognition.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments in the general ledger and evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed and how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
17 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FORESIGHT GROUP LLP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 as restated £
Turnover	2	58,904,179	34,477,242
Cost of sales		<u>(4,635,637)</u>	<u>(4,731,242)</u>
Gross profit		54,268,542	29,746,000
Administrative expenses		(35,746,053)	(27,957,576)
Other operating income	3	<u>831,864</u>	<u>11,646,674</u>
Operating profit	4	19,354,353	13,435,098
Gain on disposal	11	528,537	-
Interest receivable and similar income	6	107,505	78,991
Interest payable and similar expenses	7	(51,681)	(50,431)
Changes in fair value of investments	11	<u>94,519</u>	<u>(141,505)</u>
Profit for the financial year before members' remuneration and profit shares		20,033,233	13,322,153
Members' remuneration charged as an expense	8	<u>(5,521,301)</u>	<u>(4,916,190)</u>
Profit for the financial year available for discretionary division among members		14,511,932	8,405,963
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>14,511,932</u></u>	<u><u>8,405,963</u></u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

FORESIGHT GROUP LLP

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

		2021	2020 as restated
	Note	£	£
Fixed assets			
Intangible assets	9	189,507	271,597
Tangible assets	10	1,788,400	2,294,084
Investments	11	1,828,512	1,117,940
		<u>3,806,419</u>	<u>3,683,621</u>
Current assets			
Debtors	12	19,860,672	18,195,478
Cash at bank and in hand		<u>10,721,574</u>	<u>4,438,185</u>
		30,582,246	22,633,663
Creditors: amounts falling due within one year	13	<u>(21,990,991)</u>	<u>(15,426,338)</u>
Net current assets		<u>8,591,255</u>	<u>7,207,325</u>
Total assets less current liabilities		<u>12,397,674</u>	<u>10,890,946</u>
Creditors: amounts falling due after more than one year	18	<u>(1,138,475)</u>	<u>(1,275,725)</u>
Net assets		<u><u>11,259,199</u></u>	<u><u>9,615,221</u></u>
REPRESENTED BY:			
Loans and other debts due to members within one year	14	-	1,972,453
Members' other interests			
Members capital	14	1,618,811	163,442
Share-based payment reserves	14	-	100,840
Other reserves	14	<u>9,640,388</u>	<u>7,378,486</u>
		<u><u>11,259,199</u></u>	<u><u>9,615,221</u></u>
TOTAL MEMBERS' INTERESTS:			
Amounts due from members	15	(2,600,000)	(1,600,000)
Loans and other debts due to members	15	-	1,972,453
Members' other interests	14	<u>11,259,199</u>	<u>7,642,768</u>
		<u><u>8,659,199</u></u>	<u><u>8,015,221</u></u>

The financial statements were approved by the members and authorised for issue on 27 July 2021 and are signed on their behalf by:

G Fraser

Designated Member

Limited Liability Partnership Registration No. OC300878



FORESIGHT GROUP LLP

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2021

	Note	Members' capital £	Share-based payment reserves £	Other reserves £	Total £
Balance at 31 March 2019 (as previously reported)		140,291	-	6,000,000	6,140,291
Share-based payment adjustment	20	-	1,510,570	(1,510,570)	-
Balance at 31 March 2019 (as restated)		140,291	1,510,570	4,489,430	6,140,291
Profit and total comprehensive income for the year (as restated)	20	-	-	8,405,963	8,405,963
Other divisions of profit		-	-	(7,275,269)	(7,275,269)
Members' capital introduced		23,151	-	-	23,151
Share-based payment costs	20	-	348,632	-	348,632
Vested share-based payment awards		-	(1,758,362)	1,758,362	-
Balance at 31 March 2020 (as restated)		<u>163,442</u>	<u>100,840</u>	<u>7,378,486</u>	<u>7,642,768</u>
Profit and total comprehensive income for the year		-	-	14,511,932	14,511,932
Other divisions of profit	14	-	-	(12,386,092)	(12,386,092)
Members' capital introduced	14	1,455,369	-	-	1,455,369
Share-based payment costs		-	35,222	-	35,222
Vested share-based payment awards		-	(25,825)	25,825	-
Cessation of share-based payment awards		-	(110,237)	110,237	-
Balance at 31 March 2021		<u>1,618,811</u>	<u>-</u>	<u>9,640,388</u>	<u>11,259,199</u>

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 Limited liability partnership information

Foresight Group LLP is a limited liability partnership incorporated in England and Wales. The registered office is C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, SE1 9SG.

The LLP's principal activities are disclosed in the Members' Report.

1.2 Accounting convention

These financial statements have been prepared for the first time in accordance with UK-adopted IFRS recognition and measurement principles, together with FRS 101 "Reduced Disclosure Framework" ("FRS 101") which allows individual companies in a group to take advantages of exemptions from various disclosures. These financial statements are also in compliance with the Companies Act 2006 as applied by the Partnership and the Statement of Recommended Practice ("SORP"), Accounting by Limited Liability Partnerships, issued in December 2018.

The date of transition to UK-adopted IFRS recognition and measurement principles and FRS 101 was 1 April 2019. An explanation of how the transition has affected the reported financial position and financial performance is given in note 20. Note 20 also contains an explanation in respect of a prior year adjustment that has also been accounted for.

The disclosure exemptions adopted by the Company in accordance with FRS 101 are as follows:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases; the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group; and
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.2 Accounting convention (continued)

Where required, equivalent disclosures are given in the group accounts of Foresight Group Holdings Limited. The group accounts of Foresight Group Holdings Limited are available to the public as set out in note 22.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared on the historical cost convention except for the fair value of unlisted investments. The principal accounting policies adopted are set out below.

1.3 New standards, interpretations and amendments adopted from 1 April 2020

New standards that have been adopted in the annual financial statements for the year ended 31 March 2021, but have not had a significant effect on the LLP:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Disclosure Initiative – Definition of Material); and
- Revisions to the Conceptual Framework for Financial Reporting.

1.4 Exemption from preparation of consolidated financial statements

The financial statements contain information about the limited liability partnership as an individual entity and do not contain consolidated financial information as the parent of a group. The limited liability partnership has taken advantage of the exemption conferred by s400 of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 not to produce consolidated financial statements as it is included in the consolidated accounts of Foresight Group Holdings Limited.

1.5 Going concern

These financial statements have been prepared on the going concern basis.

The Members of the LLP have considered the resilience of the LLP, taking into account its current financial position and the principal and emerging risks facing the business, including the impact of COVID 19 on global markets and potential implications for the LLP's financial performance. The members reviewed the LLP's cash flow forecasts and trading budgets for a period of at least 12 months from the date of approval of these accounts, and concluded that, taking into account plausible downside scenarios that could reasonably be anticipated, the LLP will have sufficient funds to pay its liabilities as they fall due for that period. Taking into consideration the impact of COVID 19 on the wider economic environment, the forecasts have been stress tested to ensure that a robust assessment of the LLP's working capital and cash requirements has been performed. The Stress test scenarios adopted involved severe but plausible downside scenarios with respect to the LLP's trading performance. Any mitigating actions available to protect working capital and strengthen the balance sheet, including deferring non-essential capital expenditure and increased cost control were also taken into account.

In considering the above, the Members have formed the view that the LLP will generate sufficient cash to meet its ongoing liabilities as they fall due for at least the next 12 months; accordingly, the going concern basis of preparation has been adopted.

1.6 Turnover

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.6 Turnover (continued)

The LLP's revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue represents the fair value of the consideration receivable in respect of services provided during the period, exclusive of value added taxes.

A contract with a customer is recognised when a contract is legally enforceable by the LLP; this will be prior to the commencement of work for a customer and therefore before any revenue is recognised by the LLP. Performance obligations are identified on a contract by contract basis; where contracts are entered into at the same time with the same customer at differing rates, these may be considered a single contract for the purposes of revenue recognition.

The LLP does not provide extended payment terms on its services and therefore no significant financing components are identified by the LLP. Revenue is only recognised on contingent matters from the point at which it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The principal components of revenue comprise management fees, secretarial fees, director's fees, arrangement fees and performance incentive fees.

Management fees and most secretarial fees are generally based a percentage of fund Net Asset Value ("NAV") as defined in the funds' prospectus and/or offering documents, with some secretarial fees being at an agreed fixed rate. Director fees are based on a specified fixed fee agreed with the customer.

Management, secretarial and Director fees are recognised on an accruals basis to the extent that it is probable that there will be economic benefit and income can be reliably measured.

Arrangement and advisory fees are based on a set rate agreed with the customer and recognised when the related service obligations have been achieved.

Performance incentive fees are based on the returns achieved over a predetermined threshold as defined in the funds' prospectus or offering documents and are recognised only when management have certainty as to the receipt of such revenue.

Other fees are based on the contract agreed before services are provided and are recognised in line with the delivery of the services provided.

1.7 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with IAS 32. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.7 Members' participating interests (continued)

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

1.8 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Identifiable computer software and development costs are capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Amortisation begins when the intangible asset is available for use. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software development costs	-	20% on a straight line basis
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1.9 Tangible fixed assets and depreciation

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

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

Land and buildings long leasehold	-	Over the term of the lease
Land and buildings short leasehold	-	Over the term of the lease
Fixtures, fittings and equipment	-	20%/50% on a straight line basis

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

1.10 Investments in subsidiaries

Investments in subsidiaries are all held at cost less impairment in the financial statements of the LLP.

1.11 Financial instruments

a) Trade and other debtors/ trade and other creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. For trade debtors this is because they meet the criteria set out under IFRS 9, being assets held within a business model that give rise to contractual cash flows and are solely payments of principal and interest ("SPPI"). Trade debtors are less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

b) Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and on-demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.12 Employee benefits

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

1.13 Share Based Payments

The Foresight Group historically issued B shares as awards to its staff under share-based compensation plans. For equity-settled awards, the fair value of the amounts payable to staff was recognised as an expense with a corresponding increase in equity over the vesting period after adjusting for the estimated number of shares that are expected to vest. The fair value was measured at the grant date using an appropriate valuation model, taking into account the terms and conditions upon which the instruments were granted. At each balance sheet date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest was calculated. The movement in cumulative expense is recognised in the Statement of Comprehensive Income with a corresponding entry within equity.

1.14 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying amount of assets and liabilities are as follows:

Valuation of investments

Investments in underlying funds are recorded at fair value. Fair value is calculated as the share of net assets of the underlying fund to which the investment relates.

While valuations of investments are based on assumptions that the members consider are reasonable under the circumstances, the actual realised gains and losses will depend on, amongst other factors, future operating results, the value of the assets and market conditions at the time of disposal, any related transaction costs and the timing and manner of sale, all of which may ultimately differ significantly from the assumptions on which the valuations were based.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.16 Judgements and key sources of estimation uncertainty - continued

Leases – estimating the incremental borrowing rate

The LLP cannot readily determine the interest rates implicit in the leases; therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the LLP would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the LLP "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when adjustments are required to reflect the underlying economic market where overseas subsidiaries are located).

The LLP estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's standalone credit rating).

2 Turnover

	2021 £	2020 £
Management Fees	43,958,690	18,254,647
Secretarial Fees	9,752,285	11,071,094
Arrangement Fees	2,869,787	3,239,197
Directors Fees	2,306,075	1,847,615
Other Income	17,342	64,689
	<u>58,904,179</u>	<u>34,477,242</u>

3 Other operating income

a) Other operating income is made up of the following income:	2021 £	2020 £
Advisory fee receivable from Foresight Group CI Limited	43,000	5,160,000
Advisory fee receivable from Foresight Group Holdings Limited	-	4,463,966
Service charge receivable from Foresight Metering Limited	-	1,000,000
Service charge receivable from Foresight Group Holdings Limited	-	127,958
Service charge receivable from Foresight Asset Management Limited	40,000	100,000
Fees arising from the disposal of FRP Shirebrook Holdco Limited (note b)	348,250	794,750
Service charge receivable from PiP Manager Limited	40,758	-
Service charge receivable from Foresight Group Luxembourg S.A.	127,662	-
Service charge receivable from Foresight Group Iberia SL	186,227	-
Grant income (note c)	45,967	-
	<u>831,864</u>	<u>11,646,674</u>

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Other operating income - continued

b) *Fees arising from the disposal of FRP Shirebrook Holdco Limited*

The LLP is managing the development of a reserve power plant site in Shirebrook, Derbyshire on behalf of the Foresight ITS product. Development fees have been accounted for as other operating income when it is virtually certain that relevant contractual conditions have been met. At 31 March 2021, total fees of £2.1 million had been recognised. Further contractual conditions have been met in the year ended 31 March 2022 when the reserve power plant became fully operational giving rise to fees of £0.3 million.

c) *Grant income*

The LLP applied for a Government support programme introduced in response to the global pandemic. Included in the Statement of Comprehensive Income is £45,967 of Government grants obtained relating to supporting the payroll of the LLP's employees. The LLP has presented this Government grant separately, rather than reducing the related expense. The LLP had to commit to spending the assistance on payroll expenses. The LLP does not have any unfulfilled obligations relating to this programme.

4 Operating profit

	2021 £	2020 £
Operating profit is stated after charging:		
(Gain)/loss on foreign exchange transactions	(258,644)	281,427
Bad debts provided for	88,099	1,192,139
Amortisation of intangible assets	95,040	174,440
Depreciation of tangible fixed assets	363,199	128,426
Profit on disposal of tangible fixed assets	(169,992)	(623)
Share-based payment costs	35,222	348,632
Auditor's remuneration – audit services*	66,900	95,000
Auditor's remuneration – regulatory assurance	8,520	8,140
Auditor's remuneration – other services	117,000	82,800
Auditor's remuneration – taxation compliance services	-	5,000

* Auditors remuneration – audit services for 2021 includes a credit of £30,000 in respect of interim audit services (for the period ended 30 September 2020) which were invoiced to the ultimate parent company, Foresight Group Holdings Limited.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Employees

Number of employees

The average number of persons (excluding members) employed by the LLP during the year was:

	2021 Number	2020 Number
Investment management	57	45
Administration, sales and marketing	70	75
	<u>127</u>	<u>120</u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	12,622,048	11,137,960
Social security costs	1,673,804	1,290,850
Pension costs	410,471	293,925
	<u>14,706,323</u>	<u>12,722,735</u>

6 Interest receivable and similar income

	2021 £	2020 £
Bank interest	2,099	31
Group interest receivable	105,406	78,960
	<u>107,505</u>	<u>78,991</u>

7 Interest payable and similar expenses

	2021 £	2020 as restated £
Lease interest	47,499	46,706
Other interest	4,182	3,725
	<u>51,681</u>	<u>50,431</u>

There is £46,706 adjustment for the year ended 31 March 2020, relating to the transition to UK-adopted IFRS recognition and measurement principles (see note 20).

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Information in relation to members

	2021 £	2020 £
Members' remuneration charged as an expense	<u>5,521,301</u>	<u>4,916,190</u>

The remuneration above is that paid to the members by agreement. Remuneration representing a division of profit is included in the allocation of profit figures in note 14. Members' remuneration includes £420,000 of advances expensed in the year where members' have reached the first anniversary of their contractual arrangement and can retain 20% of their advance.

	2021 Number	2020 Number
The average number of members during the year was:	<u>38</u>	<u>38</u>

	2021 £	2020 £
Profit attributable to the member with the highest entitlement:	<u>6,838,292</u>	<u>1,599,831</u>

Following the group reorganisation, the profit of the LLP is allocated to the corporate member.

9 Intangible assets

	Software and Development costs £
Cost	
At 1 April 2020	465,895
Additions	<u>12,950</u>
At 31 March 2021	<u>478,845</u>
Amortisation	
At 1 April 2020	194,298
Amortisation charged for the year	<u>95,040</u>
At 31 March 2021	<u>289,338</u>
Net book values	
At 31 March 2021	<u>189,507</u>
At 31 March 2020	<u>271,597</u>

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

10 Tangible assets

	Long leasehold land and buildings	Short leasehold property	Right-of- use assets	Motor vehicles	Fixtures, fittings & equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020 (as restated)	325,879	528,913	1,357,639	15,500	286,136	2,514,067
Additions	-	28,418	-	-	109,625	138,043
Disposals	(325,879)	-	-	-	(79,219)	(405,098)
At 31 March 2021	-	557,331	1,357,639	15,500	316,542	2,247,012
Depreciation						
At 1 April 2020 (as restated)	20,205	18,937	67,258	2,325	111,258	219,983
Depreciation charged in the year	26,070	54,418	140,997	3,100	138,614	363,199
Disposals	(46,275)	-	-	-	(78,295)	(124,570)
At 31 March 2021	-	73,355	208,255	5,425	171,577	458,612
Net book values						
At 31 March 2021	-	483,976	1,149,384	10,075	144,965	1,788,400
At 31 March 2020 (as restated)	305,674	509,976	1,290,381	13,175	174,878	2,294,084

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

11 Investments

a) The following are included in the net book value of investments:

	2021 £	2020 £
Investments in subsidiaries	835,406	613,284
Unlisted investments	993,106	504,656
	<u>1,828,512</u>	<u>1,117,940</u>

b) Movement in investments

	Investments in subsidiaries £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2020	754,636	504,656	1,259,292
Additions	309,059	393,931	702,990
Disposals	(10,026)	-	(10,026)
Movement in fair value	-	94,519	94,519
Repayments	(218,263)	-	(218,263)
At 31 March 2021	<u>835,406</u>	<u>993,106</u>	<u>1,828,512</u>
Impairment			
At 1 April 2020	141,352	-	141,352
Impairment charged for the year	(141,352)	-	(141,352)
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
Net book values			
At 31 March 2021	<u>835,406</u>	<u>993,106</u>	<u>1,828,512</u>
At 31 March 2020	<u>613,284</u>	<u>504,656</u>	<u>1,117,940</u>

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Investments (continued)

c) Principal investments

The LLP holds more than 20% of the share capital, in either 2021 or 2020, of the following undertakings:

Subsidiary undertakings	Country of registration or incorporation	Class	Shares held	
			% 2021	% 2020
Wholly owned by the LLP				
Foresight Group S.R.L.	Italy	Ordinary	100	100
Foresight Group Australia Pty Limited	Australia	Ordinary	100	100
Foresight Group Iberia SL	Spain	Ordinary	100	100
Foresight Group Promoter LLP	England & Wales	Voting rights	100	100
Foresight Investor LLP	England & Wales	Voting rights	100	100
Foresight Solar LLP	England & Wales	Voting rights	100	100
Foresight European Solar Fund CIP GP Limited	Scotland	Ordinary	100	100
Foresight Group S.à r.l.	Luxembourg	Ordinary	100	100
Foresight Energy Infrastructure Partners GP S.à r.l.	Luxembourg	Ordinary	100	100
** Foresight Group Luxembourg S.A.	Luxembourg	Ordinary	100	0
*Foresight Fund Managers Limited	England & Wales	Ordinary	0	100
*Pinecroft Corporate Services Limited	England & Wales	Ordinary	0	100
*Foresight Group (SK) Limited	England & Wales	Ordinary	0	100
*Foresight Environmental GP Co. Limited	Scotland	Ordinary	0	100
*Foresight Environmental FP GP Co. Limited	Scotland	Ordinary	0	100
*Foresight NF GP Limited	England & Wales	Ordinary	0	100
*Foresight NF FP GP Limited	England & Wales	Ordinary	0	100
*Foresight Company 1 Limited	England & Wales	Ordinary	0	100
*Foresight Company 2 Limited	England & Wales	Ordinary	0	100

* On 8 February 2021, the LLP transferred its interest in these companies to a group undertaking Foresight Group Holdings (UK) Limited, at a valuation of £538,563, giving rise to £528,537 gain on disposal of fixed asset investments.

** On 4 January 2021, Foresight Group Luxembourg SA was incorporated as a subsidiary of the LLP. It is an Alternative Investment Fund Manager enabling Foresight to meet the needs of its EU investor base and strengthen its presence in continental Europe.

Wholly owned by Foresight Group Australia Pty Limited

FGA Ventures Pty Limited	Australia	Ordinary	100	100
Foresight Group Australia Services Pty Limited	Australia	Ordinary	100	n/a
Above It Pty Limited	Australia	Ordinary	100	100

Jointly controlled undertakings

FV Solar Lab S.R.L.	Italy	Ordinary	50	50
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d) Registered office of subsidiaries

The registered office of the subsidiaries is the same as for the LLP except for the following:

- Subsidiaries with the registered office C/O Foresight Group LLP Clarence House, 133 George Street, Edinburgh, Scotland, Scotland, EH2 4JS are Foresight European Solar Fund CIP GP Limited.
- Subsidiaries with the registered office Level 35 One International Tower, 100 Barangaroo Avenue, Sydney, NSW 2000 Australia are Foresight Group Australia Pty Limited, FGA Ventures Pty Limited, Foresight Group Australia Services Pty Limited and Above It Pty Limited.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Investments (continued)

- Subsidiary with the registered office Piazza Barberini, 52 00187 Roma, Italy is Foresight Group S.R.L..
- Subsidiary with the registered office Paseo de la Castellanan 43, Madrid 28046, Spain is Foresight Group Iberia SL.
- Subsidiary with the registered office 17, Boulevard F. W. Raiffeisen L - 2411 Luxembourg is Foresight Group S.à r.l.
- Subsidiary with the registered office 6C, rue Gabriel Lippmann, L – 5365 Munsbach, Luxembourg is Foresight Energy Infrastructure Partners GP S.à r.l..
- Subsidiary with the registered office 19-21 Route d'Arlon Serenity Building Bloc C L-8009 Strassen Grand-Duché de Luxembourg is Foresight Group Luxembourg S.A.

12 Debtors	2021 £	2020 £
Trade debtors	8,731,503	5,954,727
Amounts due from members (see note 14)	2,600,000	1,600,000
Amounts owed by group undertakings	4,249,508	7,287,011
Other debtors	2,345,059	1,258,823
Prepayments	1,934,602	2,094,917
	<u>19,860,672</u>	<u>18,195,478</u>

Amounts due from members represent advances to various members. The advances are to be expensed over five years in line with the contractual terms of the advances but are repayable if the relevant members resign from the LLP.

13 Creditors: amounts falling due within one year	2021 £	2020 as restated £
Lease obligations (see note 17)	137,250	106,846
Trade creditors	1,061,650	1,431,427
Fees received in advance	-	42,889
Amounts owed to group undertakings	8,095,934	4,061,251
Tax and social security	3,147,375	1,164,115
Other creditors	4,244,907	3,796,570
Accruals	5,303,875	4,823,240
	<u>21,990,991</u>	<u>15,426,338</u>

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14	Members' interests		EQUITY			DEBT		TOTAL MEMBERS' INTEREST
			Members' other interests		Loans and other debts due to members			
	Note	Members' capital	Share-based payment	Other reserves	Total	Other amounts	Total	
		£	£	£	£	£	£	
Amount due to members in respect of profit						1,972,453		
Amounts due from members, included in debtors						<u>(1,600,000)</u>		
Members' interests at 1 April 2020 (as previously reported)		163,442	-	7,500,000	7,663,442	372,453	372,453	8,035,895
Share-based payment adjustment	20	-	100,840	(100,840)	-	-	-	-
IFRS 16 transition adjustment	20	-	-	(20,674)	(20,674)	-	-	(20,674)
Members' interests at 1 April 2020 (as restated)		163,442	100,840	7,378,486	7,642,768	372,453	372,453	8,015,221
Members' Remuneration charged as an expense, including employment costs and retirement benefit costs		-	-	-	-	5,521,301	5,521,301	5,521,301
Profit and total comprehensive income for the year available for discretionary distribution among members		-	35,222	14,511,932	14,547,154	-	-	14,547,154
Transfer of share-based payment reserves		-	<u>(136,062)</u>	<u>136,062</u>	-	-	-	-
Members' interests after profit and remuneration for the year		163,442	-	22,026,480	22,189,922	5,893,754	5,893,754	28,083,676
Other divisions of profit		-	-	(12,386,092)	(12,386,092)	12,386,092	12,386,092	-
Introduced by members		1,455,369	-	-	1,455,369	80,000	80,000	1,535,369
Drawings		-	-	-	-	<u>(20,959,846)</u>	<u>(20,959,846)</u>	<u>(20,959,846)</u>
Members' interests at 31 March 2021		<u>1,618,811</u>	<u>-</u>	<u>9,640,388</u>	<u>11,259,199</u>	<u>(2,600,000)</u>	<u>(2,600,000)</u>	<u>8,659,199</u>
Amount due to members in respect of profit						-		
Amounts due from members, included in debtors						<u>(2,600,000)</u>		

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15	Loans and other debts due to members	2021 £	2020 £
	Amounts owed to members in respect of profits	-	1,972,453
	Loans due from members (note 12)	<u>(2,600,000)</u>	<u>(1,600,000)</u>
		<u>(2,600,000)</u>	<u>372,453</u>

Loans due from members represent advances entered into with individual members.

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

16 Retirement benefit schemes

The LLP operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the LLP in an independently administered fund.

	2021 £	2020 £
Pension costs	<u>410,471</u>	<u>293,925</u>

There were no amounts owing at the year end.

17 Lease obligations

	2021 £	2020 £
Within one year (see note 13)	137,250	106,846
More than one year (see note 18)	<u>1,138,475</u>	<u>1,275,725</u>
	<u>1,275,725</u>	<u>1,382,571</u>

Lease obligations represent rentals payable by the LLP for the Cambridge and Edinburgh office buildings. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. All leases are secured against their related assets.

18 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Lease obligations falling due after more than one year (see note 17)	<u>1,138,475</u>	<u>1,275,725</u>

19 Commitments and contingencies

There were no capital commitments at 31 March 2020 or 31 March 2021.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Impact from transition to IFRS and prior year adjustments

	At 31 March 2020			
	As previously reported	Adjustments on adoption of IFRS*	Prior year correction**	As restated
	£	£	£	£
Reconciliation of comprehensive income				
Total comprehensive income for the year	8,775,269	(20,674)	(348,632)	8,405,963
Fixed assets				
Tangible assets	1,003,703	1,290,381	-	2,294,084
Creditors: amounts falling due within one year				
Lease obligations	-	(1,382,571)	-	(1,382,571)
Accruals	(4,894,756)	71,516	-	(4,823,240)
Reconciliation of equity				
Members capital	163,442	-	-	163,442
Share-based payment reserves	-	-	100,840	100,840
Other reserves	7,500,000	(20,674)	(100,840)	7,378,486
	At 31 March 2019			
	As previously reported	Adjustments on adoption of IFRS*	Prior year correction**	As restated
	£	£	£	£
Reconciliation of equity				
Members capital	140,291	-	-	140,291
Share-based payment reserves	-	-	1,510,570	1,510,570
Other reserves	6,000,000	-	(1,510,570)	4,489,430
	6,140,291	-	-	6,140,291

* The financial statements for the year ended 31 March 2021 are the first financial statements of the LLP prepared in accordance with UK-adopted IFRS recognition and measurement principles. The impact derives from the adoption of IFRS 16 Leases. The LLP adopted IFRS 16 by using a full retrospective transition approach, under which the comparative information presented for years ended 31 March 2020 and 31 March 2019 have been restated respectively.

** The correction is related to the grant of share awards under Foresight Plan to some members of the LLP. The awards vest after the members of the LLP reached an uninterrupted period of service of 10 years and are to be settled by shares in the parent company Foresight Group Holdings Limited. The awards are accounted for as equity-settled.

FORESIGHT GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

21 Events after the reporting date

There are no matters to report.

22 Control

The LLP's immediate parent entity is Foresight Holdco 2 Limited, a company registered in England and Wales. The ultimate controlling party is Foresight Group Holdings Limited, a company registered in Guernsey.

The smallest and largest group in which the results of the LLP are consolidated is that headed by Foresight Group Holdings Limited. Group financial statements are available at C/O Foresight Group Llp The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG.