Independent Auditor's report

To the members of Foresight Group Holdings Limited

Opinion on the financial statements

In our opinion the financial statements of Foresight Group Holdings Limited (the "Parent Company"):

- give a true and fair view of the state of the Group's affairs as at 31 March 2024 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of Foresight Group Holdings Limited and its subsidiaries (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit & Risk Committee.

Independence

Following the recommendation of the Audit & Risk Committee, we were appointed by the Board of Directors on 14 April 2021 to audit the financial statements for the year ended 31 March 2021 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 4 years, covering the years ended 31 March 2021 to 31 March 2024.

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's cash flow forecasts for the Group for a period of three years from 31 March 2024 that support the Board's assessment and conclusion with respect to the going concern basis of preparation of the financial statements and performing the following:
  - Assessing the reasonableness of management's assumptions with respect to the following, but not limited to: revenue growth, expenses growth and timing of cash flows
  - Evaluating the reasonableness of management's downside scenarios and the assumptions used, considering the impact on the expected receipt of cash from revenue streams and future expenditure as well as the likelihood of these scenarios occurring
  - Reviewing the highly stressed scenario prepared by management where revenues are not forecast to increase from current levels to assess the available headroom and performed our own further sensitivity analysis
  - Assessing the overall group liquidity and sufficiency of the cash reserves to cover current liabilities

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

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

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

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Overview

Coverage	99% (2023: 97%) of Group profit before tax 99% (2023: 92%) of Group revenue 98% (2023: 98%) of Group total assets		
Key audit matters		2024	2023
	Fraud in revenue recognition	✓	✓
	Accounting for business combinations under IFRS 3	✓	✓
	Impairment of goodwill and intangibles	✓	✗
Materiality	Group financial statements as a whole £1,716,000 (2023:£1,550,000) based on 5% (2023: 5%) of Group profit before tax		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement. The Group consists of the Parent Company (Foresight Group Holdings Limited), incorporated in Guernsey, and a number of subsidiary undertakings. The Group audit engagement team carried out a full scope audit for the significant component, determined to be Foresight Group LLP. For non-significant components, the Group engagement team performed specific procedures over significant balances and classes of transactions, as well as analytical procedures, based on their individual financial significance to the Group with reference to their profit before tax, revenue and total assets.

Our involvement with component auditors

For the work performed by the component auditor, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with BDO Australia Limited included the following:

- Calls and correspondence via email to discuss progress and any findings
- Submission of our group instructions outlining risks and approach
- Directly reviewing the work performed by the component auditor on key balances

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector
- Involvement of our internal expert technical team in evaluating climate risks and the Group's processes
- Review of the accuracy and consistency of Management disclosures included as 'Other Information' with the financial statements and with our knowledge obtained from the audit
- Challenge of Management on the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments, have been reflected, where appropriate, in the Directors' going concern and viability assessments; and
- Review of the minutes of Board and Audit and Risk Committee meetings and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment to neutralising their carbon footprint may affect the financial statements and our audit

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>
Fraud in revenue recognition
Note 4
Revenue is a key indicator in demonstrating performance, therefore there is an incentive to overstate revenue.
There is a risk that revenue may be misstated as a result of complex calculations, judgement in the Net Asset Values ("NAVs") of underlying funds which drive revenue, use of inappropriate accounting policies or from an inappropriate use of judgements in calculating revenue.
With regard to performance fees, there are complexities around the calculations that could give rise to management override.
For these reasons we considered revenue recognition to be a key audit matter.
</td><td>
We challenged management by reviewing the terms of the relevant agreement and re-calculating the derived fees. We also considered whether the fees recognised comply with the requirements of IFRS 15.
Management and Secretarial fees (83% of group revenue):
NAV based fees testing (56% of group revenue)
For all NAV based management and secretarial fees, except those where in aggregate the fee is immaterial, we obtained the relevant agreements to corroborate the basis of the fee and the fee rates used and recalculated the fees earned.
To determine the appropriateness of the NAV upon which fees are earned, we performed the following procedures:

Where the underlying funds are audited, we vouched the NAVs to the latest audited financial statements of the fund and reviewed the accounting policies for investments to determine whether they were appropriate
For unaudited periods (e.g. quarters) we have vouched the NAVs to the relevant RNS announcement on the LSE website (where the fund is listed) or to the investor reports or management accounts (where the fund is not listed) for a sample of "Periods". We considered the relative size of each fund's fees and materiality to select periods for testing
We obtained Board and investment valuation committee approvals for periods of unaudited NAVs (where applicable) and understood the internal process to determine the appropriateness of investment valuations
We understood the movements for each period (e.g. quarter) by obtaining a NAV bridge (or similar) and considered whether the drivers of movements were in line with our expectations and corroborated to external evidence where possible (such as RNS announcement and external evidence regarding movements in asset valuations, including consulting with our internal valuation experts)
We considered whether movements in NAVs were in line with our understanding and expectations based on the wider market and share price (for example whether movements are in line with other listed infrastructure/PE funds or the funds own share price movements)
We performed a review of the historical accuracy of past valuations by comparing the unaudited NAVs per RNS announcements (for listed funds) or valuation workbooks with the NAVs in audited financial statements. We also identified whether disposals were made at a profit or loss in the fund's audited financial statements as an indication of the historical accuracy of NAVs
We also performed internet searches to identify any events which may contradict the valuation movement in the period and/or indicate an impairment
We considered whether there was consistency in movements across NAVs for funds with similar types of assets and considered whether there were any indications of overall management bias

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Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Key audit matter	How the scope of our audit addressed the key audit matter
Fraud in revenue recognition Note 4 continued	**Management and Secretarial fees (83% of group revenue):** continued Non – NAV based fees testing (27% of group revenue) • For a sample of commitment based and fixed fees, we obtained the relevant agreements to corroborate the basis of the fee and the fee rates used and recalculated the fees earned • For commitment-based fees, we confirmed the total commitments to underlying agreements as well as amounts drawn/undrawn to drawdown notices • For any fixed fees, we agreed the fee earned to agreements and where there was an annual RPI uplift to the fixed fee, we have recalculated the annual RPI uplifts for accuracy using the details of the agreement and the RPI from the ONS • We assessed the appropriateness of recognising revenue over time for both management and secretarial fees in accordance with IFRS 15 Inheritance Tax Solutions (ITS and AITS, together 19% of group revenue, included as a subset of management fees): • Additional further procedures have been performed in respect of ITS and AITS as noted below, in addition to the procedures outlined above (as relevant) • For AITS we verified key inputs into the calculation (e.g. amounts invested) on a sample basis by agreeing to investor applications and other supporting documentation, where relevant • For the ITS rebate we have obtained the agreement that is the basis for the rebate. On a sample basis we have tested the invested capital to investor reports and NAV to the fund's management accounts, which are prepared by management. We have recalculated the fee rebate Marketing fees (7% of group revenue) • For a sample of marketing fees we obtained investor application forms to evidence the investor commitments and recalculated the fee in line with the prospectus Performance Incentive Fees (3% of revenue): We have inspected the agreements to verify the existence of the fee and summarised the background/basis of the fee. We obtained supporting documentation to gain comfort over the existence and entitlement to this fee based on the crystallisation of gains. We recalculated the fee based on the agreement to determine its accuracy. We agreed the receipt of the fee to bank statements. Arrangement fees (4% of group revenue): • For a sample of arrangement fees, we obtained the relevant investment agreement or share purchase agreement and recalculated the fees in accordance with the terms of the contract and consideration of any rebates • We agreed our recalculations to Management's revenue schedules and then back to the relevant entity trial balance

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

<table>
<tr><th>Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Fraud in revenue recognition
Note 4 continued</td><td>Management and Secretarial fees (83% of group revenue): continued
Directors' fees (2% of group revenue):
• For a sample of director fees, we reviewed the relevant agreements in order to obtain evidence of the fee existence. Where monitoring fees were recognised, we inspected the agreement to verify that a monitoring fee was stipulated
• We recalculated the annual RPI uplift for accuracy using the details of the agreement and the RPI from the ONS
We agreed the Directors' existence to the relevant payroll listing and Companies House

Key observations:
• Based on our procedures performed, we found the recognition of revenue to be appropriate with no evidence of management override in the calculations of the underlying fund values and subsequent revenue fee calculations</td></tr>
<tr><td>Accounting for business combinations under IFRS 3
Note 32
During the current financial year, the Group has acquired Wellspring Finance Company Limited and its 100% owned subsidiary, Wellspring Management Services Limited. Associated with this acquisition are intangible assets that need to be recognised upon acquisition, specifically customer contracts, as well as the gain on bargain purchase arising from this acquisition. There is a considerable amount of subjectivity used in valuing intangibles of this nature.

The accounting treatment of this acquisition under IFRS 3 is complex, as there are several elements of the standard which will need to be applied, especially in relation to the definitions of the transfer of a business and the recognition of consideration. Based on this, the business combination is deemed to be a key audit matter.</td><td>We responded to the risks identified by performing the following procedures:
• Obtained and documented our understanding of the acquisition, which included an evaluation to gain comfort over the commercial and strategic rationale
• We reviewed the recognition of the acquisition in line with the relevant paragraphs of IFRS 3 Business Combinations to ensure the accounting treatment adopted is in accordance with the standard. This included identification of the inputs, processes and outputs to verify this was an acquisition of a business
• We obtained the valuation of the intangible asset (customer contracts) performed by Management's expert. We then assessed the independence and credentials of the expert before engaging BDO Specialists to assist with challenging the valuation methodology applied and key assumptions underlying the valuation
• When considering the cash flow forecasts used to value the intangible, we challenged and tested the appropriateness of revenue figures, anticipated growth, staff costs, period of recognition (based on the likely life of the fund) and other key assumptions of the forecast. We also tested the arithmetic accuracy of the fair value calculation
• We tested the amount of the consideration recognised. Due to the structure of the consideration we reviewed the terms of the consideration and the definitions under IFRS 3 to ensure that the treatment of the consideration was appropriate. We then deducted the fair value of the net assets acquired and verified the quantum of the gain on bargain purchase
• We reviewed the accounting treatment of the deferred tax liability being recognised with regards to the customer contracts, verifying the correct tax rate was used and that deferred tax has been appropriately included in the bargain purchase calculation

Key observations:
• Based on the testing performed, we have not identified any material matters to indicate that the accounting for business combinations was not appropriate</td></tr>
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Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Key audit matter	How the scope of our audit addressed the key audit matter
Impairment of goodwill and intangibles (customer contracts) Notes 15 and 32 There is a risk that the goodwill which has arisen on acquisitions or and intangibles (customer contracts) should be impaired. Due to the judgement involved in determining the carrying value of goodwill and intangibles, we have identified a risk that management could overstate the value of these assets. Relevant indicators of impairment may not be identified by management, or there could be manipulation of the calculation of any impairment charge.	In respect of goodwill and intangible assets, we performed the following procedures: Goodwill: • We obtained Management's assessment of cash-generating units to check whether the allocation of goodwill is appropriate • We obtained an understanding of the performance of the businesses acquired in the prior years for which goodwill had been recognised • We noted that Management had determined that the fair value of contingent consideration payments had decreased following a reduction in the probabilities that management fee revenue targets would be met. As a result, we considered whether an impairment would be required in light of the probabilities changing. We reviewed Management's value-in-use calculation, challenging the inputs into this assessment • We obtained the discounted cash flow calculations for the goodwill assets to compare the carrying amount of the CGU with the recoverable amount. We reviewed the calculations and verified that inputs were appropriate by agreeing back to supporting documentation and/or external market sources Intangible assets (customer contracts): • We obtained management's assessment of potential indicators of impairment and challenged the assumptions and conclusions reached by management • We performed our own research to identify any internal or external indicators of impairment to assess management's impairment assessment conclusion • We obtained the valuation of the recoverable amount of the intangible assets performed by Management and the WACC input provided by Management's expert. We reviewed the calculations and agreed inputs back to supporting documentation and/or external market sources, where relevant • We assessed the independence and credentials of the management expert • We documented our understanding of the methodologies used by management in determining the recoverable amount of these assets and we have documented our conclusions on whether these are appropriate and in line with the applicable accounting standard • We reviewed and challenged the estimations and judgements applied, as well as the significant assumptions made **Key observations:** • Based on the testing performed, we have not identified any material matters to indicate that the impairment charge was inaccurate or that the recoverable amount calculations were manipulated to understate the charge

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

Group financial statements		
	2024 £	2023 £
Materiality	1,716,000	1,550,000
Basis for determining materiality	5% of Group Profit Before Tax	5% of Group Profit Before Tax
Rationale for the benchmark applied	This was determined as the most appropriate benchmark given that profit before tax is an important measure for users of the financial statements in assessing the performance of the Group.	This was determined as the most appropriate benchmark given that profit before tax is an important measure for users of the financial statements in assessing the performance of the Group.
Performance materiality	1,200,000	1,090,000
Basis for determining performance materiality	70% of materiality	70% of materiality
Rationale for the percentage applied for performance materiality	70% was determined based on the risk assessment which comprised, but was not limited to, consideration of the Parent Company being premium listed; findings from previous audits; existence of financial statement areas subject to estimation uncertainty and complexity; and review of the Group's overall control environment.	70% was determined based on the risk assessment which comprised, but was not limited to, consideration of the Parent Company being premium listed; findings from previous audits; existence of financial statement areas subject to estimation uncertainty and complexity; and review of the Group's overall control environment.

Component materiality

For the purposes of our Group audit opinion, we set materiality for the components of the Group, which was based on a percentage of between 2% and 86% (2023: between 29% and 92%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality was between £30,000 and £1,475,000 (2023: range of between £456,000 to £1,430,000). In the audit of the component, we further applied performance materiality levels of 70% (2023: 70%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £86,000 (2023:£78,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 108; and • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 65.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 114; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 55 to 63; • The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 55 to 63; and • The section describing the work of the Audit and Risk Committee set out on pages 83 to 90.

Other Companies (Guernsey) Law, 2008 reporting

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- Proper accounting records have not been kept by the Parent Company; or
- The financial statements are not in agreement with the accounting records; or
- We have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Responsibilities of Directors

As explained more fully in the Responsibility Statement of the Directors the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations,

we considered the significant laws and regulations to be International Financial Reporting Standards ("IFRSs") as adopted by the European Union, tax legislation, Listing Rules, the FCA rules, the principles of the UK Corporate Governance Code, Guernsey tax legislation, Australian Tax Office legislation and the Companies (Guernsey) Law 2008.

Our procedures in respect of the above included:

- Discussions held with management, directors and the Audit & Risk Committee and review of correspondence with regulators and review of minutes of Board meetings to assess how the Group is complying with these laws and regulations
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations
- Review of financial statement disclosures and agreement to supporting documentation
- Involvement of internal tax specialists in the audit; and
- Review of legal expenditure accounts to identify any legal or regulatory matters

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud
  - Internal controls established to mitigate risks related to fraud
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud

Independent Auditor's report continued

To the members of Foresight Group Holdings Limited

Auditor's responsibilities for the audit of the financial statements continued

Fraud continued

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition for the NAV-based revenue streams and management override.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation and other procedures
- Incorporating an element of unpredictability into our procedures by testing a sample of small value journals
- The procedures set out in the key audit matters section above, addressing the risk of fraud in revenue recognition
- Assessing significant estimates made by management for bias, particularly in relation to the net asset values of funds which drive management and secretarial fees (see procedures set out in the key audit matters section above)
- Identifying any journal entries in respect of net asset value adjustments which were posted outside of the expected quarterly period end and assessing the reason for these

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component engagement teams, who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

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: 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 Parent Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Hooper (Senior Statutory Auditor)

For and on behalf of BDO LLP,
Statutory Auditor
London, UK

26 June 2024

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