

FORESIGHT HOLDCO 2 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

FORESIGHT HOLDCO 2 LIMITED

COMPANY INFORMATION

Directors	G Fraser D M Hughes
Registered number	12936525 (England & Wales)
Registered office and business address	C/O Foresight Group LLP The Shard 32 London Bridge Street London SE1 9SG
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

FORESIGHT HOLDCO 2 LIMITED

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FORESIGHT HOLDCO 2 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and financial statements of Foresight Holdco 2 Limited (the company) for the year ended 31 March 2023.

Principal activity

The principal activity of the company in the year under review was that of being corporate member to Foresight Group LLP and VCF II LLP.

Dividends

No dividends will be distributed or proposed for the year ended 31 March 2023.

Going concern

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

The directors have considered the resilience of the company, taking into account its current financial position and the principal and emerging risks facing the business. As disclosed in the principal activity above, the company is corporate member to Foresight Group LLP ("FGLLP") from which the company receives a profit share which is the company's only income. The directors have therefore reviewed the company's cash flow forecasts and trading budgets in conjunction with those of FGLLP for a period of 12 months from the date of approval of these accounts as part of its overall review of the company's and FGLLP's three year plan, and concluded that, taking into account plausible downside scenarios that could reasonably be anticipated, the company will have sufficient funds to pay its liabilities as they fall due for that period. Taking into consideration the impact of inflation and Russia's invasion of Ukraine on global markets and the wider economic environment, the forecasts have been stress tested to ensure that a robust assessment of the company's working capital and cash requirements has been performed. The stress test scenarios adopted involved severe but plausible downside scenarios which included a material reduction in revenues through 50% lower fundraising, 25% lower deployment and 10% reduction in valuation of the funds managed by FGLLP. Any mitigating actions available to protect working capital and strengthen the statement of financial position, including deferring non-essential capital expenditure and increased cost control, were also taken into account.

FGLLP is a key player in two markets that are growing rapidly: worldwide renewable energy infrastructure and UK-based regional private equity. Renewable energy infrastructure is being driven by favourable economics by providing affordable and reliable power, as well as the heightened focus on energy security following Russia's invasion of Ukraine. UK private equity also continues to increase its regional footprint through the launch of funds in West Yorkshire, the North East and Ireland in 2022 and Wales in 2023.

In considering the above, the directors have formed the view that the company 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.

Directors

The following directors have held office since 1 April 2022 to the date of this report:

G Fraser
D M Hughes

Strategic report

The company has chosen not to prepare a strategic report in accordance with Companies Act 2006, s.414B.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FORESIGHT HOLDCO 2 LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to read 'G Fraser', with a stylized, flowing script.

G Fraser
Director

15 December 2023

FORESIGHT HOLDCO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORESIGHT HOLDCO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORESIGHT HOLDCO 2 LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102'); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Foresight Holdco 2 Limited ("the Company") for the year ended 31 March 2023 which comprise Statement of 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors 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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

FORESIGHT HOLDCO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FORESIGHT HOLDCO 2 LIMITED

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The Directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a Strategic report.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 gained an understanding of the legal and regulatory framework applicable to the entity and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud;
- We considered the significant laws and regulations to be the Companies Act 2006 and the Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice);
- We assessed the susceptibility of the financial statements to material misstatement including fraud and considered the significant fraud risk areas to be the investment in subsidiaries and management override of controls. Our procedures for fraud risk in relation to these areas included but were not limited to:
 - assessing whether accounting policies were aligned to the requirements of the standard;
 - challenging managements assessment of indications of impairment;
 - recalculating the interest payable in line with the agreement and verifying this was recognised correctly in the accounts;
 - agreeing any additions to signed board resolutions
- We considered compliance with these laws and regulations through discussions held with management and the Audit & Risk Committee and reviewed minutes of Board meetings to assess how the Group is complying with these laws and regulations; and
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members 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, recognizing 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.

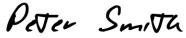
FORESIGHT HOLDCO 2 LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FORESIGHT HOLDCO 2 LIMITED

Use of our report

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

DocuSigned by:



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Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
15 December 2023

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

FORESIGHT HOLDCO 2 LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

		Year ended 31 March 2023	Period ended 31 March 2022
	Note	£	£
Turnover		—	—
Administrative expenses		(11,462)	(24,875)
Operating loss	2	(11,462)	(24,875)
Investment income	3	20,000,000	14,382,000
Interest payable	4	(10,929,620)	(12,576,625)
Profit before taxation		9,058,918	1,780,500
Tax on profit	5	(2,517,990)	(2,913,458)
Profit/(loss) for the period		6,540,928	(1,132,958)
Other comprehensive income		—	—
Total comprehensive loss for the year		6,540,928	(1,132,958)

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

FORESIGHT HOLDCO 2 LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	31 March 2023 £	31 March 2022 £
Fixed assets			
Investments	6	477,182,000	454,000,000
Current assets			
Debtors	7	803,368	11,646,755
Cash at bank and in hand		758	—
		804,126	11,646,755
Creditors: amounts falling due within one year	8	(12,015,701)	(12,602,563)
Net current liabilities		(11,211,575)	(955,808)
Total assets less current liabilities		465,970,425	453,044,192
Creditors: amounts falling due after more than one year	9	(270,000,000)	(270,000,000)
Provisions for liabilities	10	(62,454)	(177,149)
Net assets		195,907,971	182,867,043
Capital and reserves			
Share capital	12	1,800,001	1,800,001
Share premium	12	153,200,000	153,200,000
Capital contribution reserve	13	10,500,000	4,000,000
Retained earnings		30,407,970	23,867,042
Total equity		195,907,971	182,867,043

The financial statements were approved by the Board of Directors and authorised for issue on 15 December 2023 and were signed on its behalf by:



G Fraser
Director

Registered number: 12936525 (England & Wales)

FORESIGHT HOLDCO 2 LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Note	Share capital £	Share premium £	Capital contribution reserve £	Retained earnings £	Total equity £
At 1 April 2022		1,800,001	153,200,000	4,000,000	23,867,042	182,867,043
Total comprehensive income for the period		—	—	—	6,540,928	6,540,928
Capital contribution	13	—	—	6,500,000	—	6,500,000
At 31 March 2023		1,800,001	153,200,000	10,500,000	30,407,970	195,907,971

	Note	Share capital £	Share premium £	Capital contribution reserve £	Retained earnings £	Total equity £
Changes in equity						
Issue of share capital	12	1,800,001	178,200,000	—	—	180,000,001
Total comprehensive loss for the period		—	—	—	(1,132,958)	(1,132,958)
Capital contribution	13	—	—	4,000,000	—	4,000,000
Share premium reduction	12	—	(25,000,000)	—	25,000,000	—
At 31 March 2022		1,800,001	153,200,000	4,000,000	23,867,042	182,867,043

FORESIGHT HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

1.1. Company information

Foresight Holdco 2 Limited is a private company, limited by shares, registered in England and Wales. The registered office is C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, SE1 9SG.

1.2. Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') and the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.3. Exemption from preparation of consolidated financial statements

The financial statements contain information about the company as an individual entity and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated accounts of Foresight Group Holdings Limited (see note 16).

1.4. Reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as the disclosure below is included in the consolidated financial statements of the group in which the company is consolidated:

- the requirements of Section 7 Statement of Cash Flows.

1.5. Going concern

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

The directors have considered the resilience of the company, taking into account its current financial position and the principal and emerging risks facing the business. As disclosed in the principal activity above, the company is corporate member to Foresight Group LLP ("FGLLP") from which the company receives a profit share which is the company's only income. The directors have therefore reviewed the company's cash flow forecasts and trading budgets in conjunction with those of FGLLP for a period of 12 months from the date of approval of these accounts as part of its overall review of the company's and FGLLP's three year plan, and concluded that, taking into account plausible downside scenarios that could reasonably be anticipated, the company will have sufficient funds to pay its liabilities as they fall due for that period. Taking into consideration the impact of inflation and Russia's invasion of Ukraine on global markets and the wider economic environment, the forecasts have been stress tested to ensure that a robust assessment of the company's working capital and cash requirements has been performed. The stress test scenarios adopted involved severe but plausible downside scenarios which included a material reduction in revenues through 50% lower fundraising, 25% lower deployment and 10% reduction in valuation of the funds managed by FGLLP. Any mitigating actions available to protect working capital and strengthen the statement of financial position, including deferring non-essential capital expenditure and increased cost control, were also taken into account.

FGLLP is a key player in two markets that are growing rapidly: worldwide renewable energy infrastructure and UK-based regional private equity. Renewable energy infrastructure is being driven by favourable economics by providing affordable and reliable power, as well as the heightened focus on energy security following Russia's invasion of Ukraine. UK private equity also continues to increase its regional footprint through the launch of funds in West Yorkshire, the North East and Ireland in 2022 and Wales in 2023.

In considering the above, the directors have formed the view that the company 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. Taxation

The tax expense for the period comprises current and deferred tax.

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the date of the Statement of Financial Position.

1.7. Investments

Investments in other group undertakings are held at cost less impairment with any impairment recognised in the Statement of Comprehensive Income.

1.8. Financial instruments

Trade and other debtors/ trade and other creditors

Trade and other debtors are measured at the transaction price, less any impairment.

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

FORESIGHT HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

1.9 Judgements and key sources of estimation uncertainty

Preparation of financial statements requires management to exercise judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions used in the preparation of the financial statements are continually reviewed and revised as necessary.

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:

Impairment of other investments in group undertakings

At each date of the Statement of Financial Position, the company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. At 31 March 2023, the recoverable amount of investments in subsidiaries are considered to equate to the carrying value and no impairment loss was recognised.

2. Operating loss

	31 March 2023 £	31 March 2022 £
Operating loss is stated after charging:		
Auditor's remuneration – audit services	8,250	7,688

3. Investment income

	31 March 2023 £	31 March 2022 £
Profit share receivable from Foresight Group LLP	20,000,000	14,382,000

4. Interest payable

	31 March 2023 £	31 March 2022 £
Loan interest	10,929,620	12,576,625

FORESIGHT HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

5. Taxation

	31 March 2023 £	31 March 2022 £
Current tax		
Corporation tax	2,632,685	2,736,309
Deferred tax		
Origination and reversal of temporary differences	(114,695)	177,149
Tax on profit on ordinary activities	2,517,990	2,913,458

The reason for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year is as follows:

	31 March 2023 £	31 March 2022 £
Profit before taxation	9,058,918	1,780,500
Profit before tax at 19%	1,721,194	338,295
Income not taxable for tax purposes	(3,800,000)	(2,732,580)
Profit share allocations attributable to the company	4,364,034	4,262,061
Temporary differences not recognised in the computation	(114,695)	(12,341)
Expenses not deductible for tax purposes	1,088,016	1,435,651
Group relief claimed	(740,559)	(136,471)
Unrecognised deferred tax	—	259,024
Chargeable losses	—	(500,181)
Total tax charge	2,517,990	2,913,458

6. Investments

	Investments in subsidiaries £	Other investments in group undertakings £	Total £
Cost			
At 1 April 2022	—	454,000,000	454,000,000
Additions	—	23,182,000	23,182,000
At 31 March 2023	—	477,182,000	477,182,000

	Investments in subsidiaries £	Other investments in group undertakings £	Total £
Cost			
At 7 October 2020	—	—	—
Additions	454,000,000	—	454,000,000
Transfer	(454,000,000)	454,000,000	—
At 31 March 2022	—	454,000,000	454,000,000

On 4 February 2021, the company purchased a 100% interest in Foresight Group LLP from Foresight Group CI Limited for a consideration of £450,000,000. The consideration paid was £270,000,000 of unsecured loan notes (see note 11) and 1,800,000 £1 ordinary shares at a price of £100 per share (see note 12).

On 23 December 2021, the company increased its investment in Foresight Group LLP by £4,000,000 (see note 13).

On 18 March 2022, a restructuring was undertaken whereby the governance rights held by the company in Foresight Group LLP were transferred into a bare trust in favour of the ultimate parent company, Foresight Group Holdings Limited. All other rights were retained by the company; however, due to the governance rights being transferred, the company has derecognised its investment in subsidiary and transferred this to other investments in group undertakings.

On 4 July 2022, the company increased its investment in Foresight Group LLP by £23,182,000 which was partially funded by a capital contribution of £6,500,000 from Foresight Group Holdings Limited (see note 13).

FORESIGHT HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6. Investments (continued)

The Company holds more than 20% of the share capital of the following undertakings:

Subsidiaries wholly and directly owned by the company

	Class	2023 Control %	£	2022 Control %	£
VCF II LLP	Ordinary	98	—	98	—

Registered office of subsidiary

The registered office of the company's subsidiary is C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG.

7. Debtors

	31 March 2023 £	31 March 2022 £
Amounts owed by group undertakings	1	11,060,471
Prepayments	2,361	2,593
Corporation tax debtor	801,006	583,691
	803,368	11,646,755

The amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand.

8. Creditors: amounts falling due within one year

	31 March 2023 £	31 March 2022 £
Trade creditors	1,300	1,300
Amounts owed to group undertakings	6,035,945	16,950
Accruals	7,688	7,688
Other loans – interest accrued (see note 11)	5,970,768	12,576,625
	12,015,701	12,602,563

The amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand.

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

	31 March 2023 £	31 March 2022 £
Other loans (see note 11)	270,000,000	270,000,000

10. Provisions for liabilities

	31 March 2023 £	31 March 2022 £
Deferred tax	62,454	177,149

FORESIGHT HOLDCO 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11. Financial liabilities – other loans

	31 March 2023 £	31 March 2022 £
Amounts falling due within one year:		
Loan notes – interest accrued	5,970,768	12,576,625
Amounts falling due after more than one year		
Loan notes	270,000,000	270,000,000
	1 year or less £	2-5 years £
Loan notes	5,970,768	270,000,000
		Total £
		275,970,768

On 4 February 2021, the company purchased a 100% interest in Foresight Group LLP from Foresight Group CI Limited for a consideration of £450,000,000 (see note 6). As part of the consideration, the company issued an unsecured loan note of £270,000,000. The loan note is redeemable in 2026 with a fixed rate of 4.02% per annum. Interest accrued on the loan notes not yet paid amounted to £5,970,768 (2022: £12,576,625) at year end and has been included in amounts falling due within one year.

12. Share capital and share premium

	Number	Share capital £	Share premium £
<i>Ordinary shares - allotted and fully paid up at £1 par value</i>			
At 1 April 2022 and at 31 March 2023	1,800,001	1,800,001	153,200,000
	Number	Share capital £	Share premium £
<i>Ordinary shares - allotted and fully paid up at £1 par value</i>			
New issues	1,800,001	1,800,001	178,200,000
Share premium reduction	—	—	(25,000,000)
At 31 March 2022	1,800,001	1,800,001	153,200,000

On 7 October 2020, the company was incorporated with 1 £1 ordinary share from Foresight Group CI Limited.

On 4 February 2021, the company purchased a 100% interest in Foresight Group LLP from Foresight Group CI Limited for a consideration of £450,000,000 (see note 6). As part of the consideration, the company issued 1,800,000 £1 ordinary shares at a price of £100 per share, giving rise to £178,200,000 share premium.

On 7 March 2022, the board passed a special resolution to reduce the share premium account of the company by £25,000,000.

13. Capital contribution reserve

On 23 December 2021, the company received a capital contribution of £4,000,000 from Foresight Group Holdings Limited, its ultimate parent company.

On 4 July 2022, the company received a further capital contribution of £6,500,000 from Foresight Group Holdings Limited.

14. Commitments and contingencies

There were no capital commitments or contingencies at 31 March 2023 or 31 March 2022.

15. Events after the reporting period

There are no events to note.

16. Control

The company's immediate parent entity is Foresight Group CI Limited, a company registered in Guernsey. The company's ultimate parent entity is Foresight Group Holdings Limited, a company registered in Guernsey. The smallest and largest group in which the results of the company 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.