Company Registration No. 08948895 (England and Wales)

aberdeen

abrdn Portfolio Solutions Limited

ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2024

Contents

Company Information

Directors	L H Williams D P Ripton
Company secretary	abrdn Corporate Secretary Limited
Registered office	280 Bishopsgate London United Kingdom EC2M 4AG
Independent Auditor	KPMG LLP Chartered Accountants and Statutory Auditor Saltire Court 20 Castle Terrace Edinburgh EH1 2EG
Registration number	08948895

abrdn Portfolio Solutions Limited

Strategic Report for the Year Ended 31 December 2024

The Directors present their strategic report for abrdn Portfolio Solutions Limited ("the Company") for the year ended 31 December 2024, in accordance with section 414A of the Companies Act 2006.

Business review and future developments
The Company's principal activity is the provision of Managed Portfolio Services ("MPS"). There are no plans to change the principal activity of the Company business.

The Company is part of Aberdeen Group plc ("Aberdeen" or, together with its subsidiaries, "the Aberdeen Group").

The Company is regulated by the Financial Conduct Authority ("FCA") and operates under the Investments Firm Prudential Regime.

Key performance indicators
The Company uses a number of KPIs to monitor the performance of the business throughout the year. These KPIs are shown below:

	31 December 2024 £'000	31 December 2023 £'000
Assets Under Management ("AUM")	2,840,040	2,594,025
Revenue	5,462	3,651
Operating profit	843	857
Equity attributable to equity holders of the parent	4,434	3,644
Regulatory capital surplus	528	827

AUM
AUM has increased by £246m (9%) primarily as a result of a positive market movements and net inflows.

Revenue
Revenue has increased by £1,811k (50%) representing twelve full months of MPS revenue (the MPS business was acquired on 21 April 2023).

Operating profit
Operating profit has decreased by £14k (2%) and this is driven by the twelve months of MPS revenue in 2024 compared to eight months in 2023, which is fully offset by an increase in administrative expenses, mainly due to an increase in the Group recharges due to the change in the Group recharge model.

Equity attributable to equity holders of the parent
Equity attributable to equity holders of the parent has increased by £789k (22%) because of the profit after tax for the year.

Regulatory capital surplus
The regulatory capital surplus on 31 December 2024 has decreased by £299k (36%). The regulatory capital has increased by £735k, partly offset by the regulatory capital requirement increase by £1,034k (50%) to £3,116k.

Enhancing our governance
Section 172 of the Companies Act 2006 requires a Director of a Company to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.
In doing this, section 172 requires a Director to have regard, among other matters, to:

a) the likely consequences of any decision in the long term;
b) the interest of the Company's employees;
c) the need to foster the Company's business relationships with suppliers, customers and others;
d) the impact of the Company's operations on the community and the environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly between different members of the Company.

The Directors give careful consideration to the factors set out above in discharging their duties under section 172.

Enhancing our governance (continued)

The Board recognises that the long-term success of the business is dependent on the way it works with a large number of important stakeholders. The Directors have had regard to the interests of stakeholders (including clients and customers, our people, society and our shareholders) while complying with their obligations to promote the success of the Company in line with section 172 of the Companies Act. The Board has discussed these obligations throughout the year, including how stakeholder engagement is incorporated into our long-term decision-making and how the Company operates as a subsidiary within the wider Aberdeen group of companies.

In managing the Company, the Directors have taken into account the requirements of section 172 (1) of the Companies Act 2006 as summarised below:

***The likely consequence of any decision in the long term* -** The Board of Directors of the Company operate the Company in accordance with the Company's Articles, the Board Charter, and the overall Aberdeen business plan, which considers the long-term success of the Company and the Aberdeen Group as a whole, and the likely long-term consequences of any decisions by the Company are taken into account. The Directors have determined that there are no Company specific matters appropriate to disclose in relation to likely consequences of any decision in the long term.

***The interests of the Company's employees* -** The Company has no direct employees. Within the Aberdeen group of companies, engagement with employees is considered at the Aberdeen Group level and employee engagement matters have been disclosed in the Aberdeen Annual Report and Accounts which does not form part of this report. The Directors have determined that there are no Company specific matters appropriate to disclose in relation to engagement with employees.

***The need to foster the Company's business relationships with suppliers, customers and others* -** Supplier relationships within the Aberdeen group of companies are managed under the Outsourcing and Third Party Management Policies, which apply to all subsidiary companies. Engagement with suppliers, customers and others is considered at Aberdeen level and engagement matters have been disclosed in the Aberdeen Annual Report and Accounts which does not form part of this report. The Company's Board of Directors receives reports from the Distribution function, the function within the Aberdeen Group which engages with clients and customers, as part of its regular meetings. The Directors have determined that there are no company specific matters appropriate to disclose in relation to suppliers, customers and others.

***The impact of the Company's operations on the community and the environment* -** Engagement on environmental and community matters is considered at Aberdeen level and such matters have been disclosed in the Aberdeen Annual Report and Accounts which does not form part of this report. Matters relevant to the Company are considered as part of this review and the Directors have determined there are no company specific matters appropriate to disclosure in relation to community and environmental impacts.

***The desirability of the Company maintaining a reputation for high standards of business conduct* -** Maintaining a reputation for, and upholding, high standards of business conduct is vital to the ongoing success of the Aberdeen Group, including the Company.

***The need to act fairly as between members of the company* -** *The* Company has a single member, and is a wholly owned subsidiary of Standard Life Savings Limited ("SLSL") which is a wholly owned subsidiary of Aberdeen.

Risk management

A strong risk and compliance culture underpins the Aberdeen Group's commitment to put clients and customers first and safeguard the interests of our shareholders. The Aberdeen Group, of which the Company is a part, has responsibility for risk management and oversees the effectiveness of the Enterprise Risk Management Framework ("ERMF") framework.

ERM framework

The ERMF underpins risk management throughout the Aberdeen Group. This involves operating a 'three lines of defence' model with defined roles and responsibilities. The ERMF is continually evolving to meet the changing needs of the Aberdeen Group to make sure it keeps pace with industry best practice.
In 2024, improvements to the framework included:

- Delivering a new approach to Risk and Control Self Assessments, focussed on key business outcomes and executive accountability
- Implementing the Aberdeen Group's risk appetite monitoring process.
- Simplification of the Aberdeen Group's risk taxonomy, adopting a single version taxonomy.
- Delivering improved risk reporting through the adoption of consistent risk dashboards.
- Improved accessibility of the ERMF and its supporting materials.

Business risk environment

Business planning assumptions are more prone to external market developments than before.

The global political and economic environment has the potential for surprise. Regime change in the US brings a period of greater policy uncertainty in the area of global trade, strategic competition with China, developments in conflicts in Europe and the Middle East and sovereign debt management. Both energy costs and cross-border trade costs could be adversely impacted leading to upward pressure on inflation and stalling central banks' plans to further ease their target interest rates. This increases the range of potential outcomes across all asset classes.

Developments in technology and continued competitive pressure mean that adviser firms must continue to transform operating models in order to preserve margins and/or build capital to reinvest for the future.

Operational resilience is a key focus as the risks from cyber, technology and third-parties continue to evolve. The Aberdeen Group continues to build capabilities and develop mitigation plans to deal with areas of vulnerability in order to minimise (and if necessary, mitigate) the risk of disruption to clients and customers.

Global regulators have extensive policy and supervisory agendas which need to be addressed. The Aberdeen Group works diligently and steadfastly to understand regulators' expectations, especially in the areas of consumer duty, operational resilience and anti-financial crime.

Evolving and emerging risks

The Aberdeen Group is vigilant to risks that could crystallise over different horizons and impact strategy, operations and clients. These risks vary in nature as they cover geopolitical, economic, societal, technological, legal, regulatory and environmental themes. Internal and external research is reviewed to consider how risks could emerge and evolve.

Some notable risks (and opportunities) for the Aberdeen Group include adoption of modern technologies, uncertainty driven by geo-politics, unprecedented market shifts, evolving cyber threats and climate change.

ESG risks

The Aberdeen Group has a responsibility to shareholders, clients, customers and all stakeholders to assess, report on, manage and mitigate sustainability risks. As an investment firm, the impact of corporate activities is considered while making investments in line with client mandates. The Aberdeen Group continues to deepen its understanding of these risks for the benefit of all stakeholders and use these insights to advocate for positive policy change.

Aberdeen is also mindful of the different political and regulatory perspectives on investing with ESG considerations in mind.

Principal risks and uncertainties

The Aberdeen Group categorises risks across fewer principal risk categories in the current year which have both internal and external drivers. This reduction from previous years ensures continued focus on key exposures and supports the corporate priority of simplifying how the Aberdeen Group thinks about and manages its business.

The principal risks and uncertainties facing the Company are integrated into the principal risks of the Aberdeen Group and are therefore not managed separately. The principal risks and uncertainties of Aberdeen, which include those of the Company, are detailed below:

Strategic risk
These are risks that could prevent the Aberdeen Group from achieving its strategic aims and successfully delivering business plans. These could include failing to meet client expectations, poor strategic decision-making or failure to adapt. A key external risk which could impact on the achievement of the strategy relates to geopolitical and macroeconomic developments. These risks are managed through simplification of business operating models and diversification of the revenue base. This includes the disposal of noncore activities. Informed by analysis of the key market segments in which the Aberdeen Group operates, specific acquisition possibilities are explored with a view to strengthening capabilities. Focus is also maintained on geopolitical and macroeconomic developments to understand and manage implications.

Financial risk
This is the risk of having insufficient financial resources, suffering losses from adverse markets or the failure or default of counterparties. It is impacted by flows experience, global market conditions and the fees charged on platforms and wealth management services. Business planning is focussed on generating sustainable capital growth. Risks to that plan are informed by projections of financial resources under a range of stress scenarios that help calibrate buffers that ensure financial resilience at the Aberdeen Group and company level. The Aberdeen Group Capital and Dividend Policy ensures that optimal levels of financial resources are held across the Aberdeen Group having regard, inter alia, for regulatory requirements that apply at the Aberdeen Group and company level.

Conduct risk
With a mission to help clients and customers be better investors, there is focus on meeting clients' expectations for good investment performance and service delivery. There is a risk this is not achieved through operational activities or through the implementation of change programmes. The Aberdeen Group is organised to ensure clear focus on clients and customers in Adviser. This translates into a client-first culture and the focus on operational and change plans. The ERM framework supports the management of conduct risk with clear expectations around conduct goals and responsibilities. There is a clear Global Code of Conduct and the FCA's Consumer Duty has been implemented.

Regulatory and legal risk
High volumes of regulatory change can create interpretation, operational and implementation risks, especially with divergences between different regulators. Compliance failures can lead to poor customer and client outcomes, sanctions, reputation damage and income loss. As the Aberdeen Group engages with a wide number of external parties, there is vigilance to the risk that these parties are connected with criminal behaviour, or subject to sanctions by national or global authorities. Relationships with regulators are based on trust and transparency with compliance and legal teams supporting senior managers across the business.

The three lines of defence model supports the embedding of compliance expectations across the business and oversight with these expectations. Compliance advisory, monitoring and testing activity has been established across the Aberdeen Group. Developments are actively monitored and there is engagement with regulators and industry groups on new regulatory policy initiatives.

Process execution
This is the risk that processes, systems or external events could produce operational errors that impact client, customer or shareholder outcomes. This includes risks that the wider Aberdeen Group transformation programme adversely impacts key business outcomes. The Aberdeen Group instils a culture of 'getting things right first time' to minimise the cost of 'failure demand'. Processes are established for reporting and managing incidents, risk events and issues. Underlying causes of error are monitored to identify areas for action, promoting a culture of accountability and continuously improving how issues are addressed. Incidents are reviewed using established incident management processes. Regarding business transformation activity there is an established transformation programme to ensure that risks are assessed and managed.

Principal risks and uncertainties (continued)

People
People are the Aberdeen Group's greatest asset and the engagement and stability of the workforce is critical to the delivery of key business outcomes. Attrition in key teams can be disruptive and costly. Through ongoing management activities and periodic staff surveys, close focus is maintained on employee engagement, morale and attrition levels. The Aberdeen Group aims to ensure that compensation and benefits remain competitive in labour markets where operations exist. Targeted approaches are used to support retention and recruitment for key business functions.

Technology security and resilience
There is a risk that technology may fail to keep pace with business needs. With the increasing sophistication of external threat actors, there is also the significant risk of unauthorised access to systems and cyber attacks. Third-party suppliers also present risks to the Aberdeen Group technology estate. These risks are relevant to a wide range of potential threats to the business including internal failure, external intrusion, supplier failure and weather events. There is an ongoing programme to invest in and enhance IT infrastructure controls. The Aberdeen Group benchmarks the IT systems environment to identify areas for improvement and further investment. Heightened vigilance is maintained for cyber intrusion, with dedicated teams monitoring and managing cyber security risks. Regular testing is performed on penetration and crisis management. Mindful of internal (business) changes and the evolution of the external (threat) landscape, there is focus to strengthen operational resilience and cyber defences. Crisis management and contingency planning processes are regularly reviewed and tested. Changes have been implemented related to the UK Operational Resilience Regulations (in March 2025) and the EU Digital Operational Resilience Act (in January 2025).

Third party
There is reliance on third parties to deliver key business activities and services and the Company is exposed to a variety of delivery, operational, regulatory and reputational risks as a result. The Third Party Risk Management framework is well established. There are clear processes for the oversight, monitoring and management of third party relationships, especially strategic suppliers.

Sustainability
ESG risks include environmental, socio-economic and governance risks, which can lead to material impacts for business, clients, customers, suppliers and communities. Climate change can lead to material disruption thereby impacting clients, customer, staff and suppliers. Disclosure-based regulatory frameworks are currently not interoperable globally, which lead to risks to ensure compliance in different jurisdictions and ensure no inadvertent risk of "greenwashing". The politicisation of the sustainability agenda can add complexity to business operations. The Aberdeen Group monitors channels through which climate risk can impact the business. The most material corporate environmental impacts, including carbon footprint, are measured and managed. There are well established investment processes to ensure that investment portfolios are run in line with client promises. The content of corporate and client disclosures are carefully monitored and there is engagement with policymakers, clients, customers, suppliers, employees and communities to ensure expectations are understood and data can be gathered as required.

Environmental matters
The Company follows the environmental strategy of the Aberdeen Group which is disclosed within the Aberdeen Annual Report and Accounts.

This report was approved by the board and signed on its behalf.

Darren Ripton
Director
Date: 23 April 2025

abrdn Portfolio Solutions Limited

Directors' Report for the Year Ended 31 December 2024

The Directors present their annual report and financial statements of the Company for the year ended 31 December 2024.

Directors

The Directors, who held office during the year and up to the date of signature of the financial statements, were as follows:

D P Ripton
L H Williams (Appointed 24 March 2025)
G J McBirnie (Resigned 24 March 2025)
R Bignall (Resigned 28 August 2024)

The Company's ultimate parent company, Aberdeen, maintains Directors' and Officers' liability insurance on behalf of its Directors and Officers.

Company secretary

The Company's secretary during the year was:

abrdn Corporate Secretary Limited

Going concern

The Board's assessment of going concern is underpinned in Company forecasts that model market shocks to ensure the Company could continue to satisfy ongoing operating, liquidity and regulatory capital requirements. Based on their assessment, the Directors are satisfied that the Company has and will maintain sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. Further information is available in Note 1.

Dividends

The Directors recommended and paid dividends of £nil in 2024 (2023: £nil) to the Company's immediate parent, SLSL.

Political contributions

It is the Company's policy not to make donations for political purposes.

Independent Auditor

The Independent Auditor, KPMG LLP, has indicated their willingness to continue in office.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

People

The majority of the staff who manage the affairs of the Company are employed by Aberdeen Corporate Services Limited ("ACSL"), a related party, and their costs are recharged to the Company.

ACSL is committed to an equal opportunities policy. The sole criterion for selecting or promotion is the suitability of any applicant for the job regardless of ethnic origin, religion, religious belief, sex, sexual orientation, marital status or disablement. The Company will continue to employ, arrange for retraining or retire on disability pension, any member of staff who becomes disabled, as may be appropriate. The Company communicates with its employees on a regular basis, with an emphasis on listening and responding to staff aspirations and development needs, making it clear how their role contributes to the Aberdeen Group's goals, either through the Aberdeen Group's intranet facility or through regular meetings with management. All employees are encouraged to participate in the Aberdeen Group's share schemes. Additional details relating to employees are disclosed within Aberdeen Annual Report and Accounts.

Modern slavery act

As a global investment company, Aberdeen wants to do all it can to help tackle human trafficking, forced labour, bonded labour and child slavery by focusing on its operations, supply chain and investment process. Aberdeen has published a modern slavery statement, reinforcing its commitment to this important issue. This can be found on the Aberdeen website.

Engagement with suppliers

The s172 statement in the Strategic Report references that engagement with suppliers is considered at the Aberdeen level where full details can be found in the Aberdeen Annual Report and Accounts.

Qualifying entity

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit and loss of the Aberdeen Group.

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The Directors are responsible for preparing the Annual Report, Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board and signed on its behalf by:

Darren Ripton
Director
Date: 23 April 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF abrdn PORTFOLIO SOLUTIONS LIMITED

Opinion

We have audited the financial statements of abrdn Portfolio Solutions Limited ("the Company") for the year ended 31 December 2024 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

- To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of Directors and inspection of policy documentation as to the Aberdeen Group plc's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the Directors have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes to assess for any discussion of fraud;

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. we also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries which comprised unexpected posting combinations or those posted to unusual accounts.

On this audit we have rebutted the fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements, how they analyse identified breaches and assessing whether or not there were any implications of identified breaches on our audit.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, and certain aspects of company legislation recognising the financial nature of the Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF abrdn PORTFOLIO SOLUTIONS LIMITED

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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
- 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 9, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Megan Fuller
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

23 April 2025

abrdn Portfolio Solutions Limited

Profit and Loss Account for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Revenue	**3**	5,462,305	3,651,567
Administrative expenses		(4,619,368)	(2,794,123)
Operating profit	**4**	**842,937**	**857,444**
Net finance income	**6**	209,654	103,270
Profit before tax		**1,052,591**	**960,714**
Tax charge	**7**	(263,346)	(225,728)
Profit for the year		**789,245**	**734,986**

The notes on pages 16 to 21 form part of these financial statements.

The Company has not recorded any other comprehensive income during the years to 31 December 2024 or 31 December 2023. A separate statement of comprehensive income is therefore not disclosed.

abrdn Portfolio Solutions Limited
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Non-current assets			
Property, plant and equipment	**8**	-	8,061
Total non-current assets		-	8,061
Current assets			
Trade and other receivables	**9**	597,899	1,330,891
Deferred tax asset	**11**	2,330	314
Cash at bank and in hand		4,315,031	4,499,603
Total current assets		4,915,260	5,830,808
Current liabilities			
Trade and other payables	**10**	(481,636)	(2,194,490)
Total current liabilities		(481,636)	(2,194,490)
Net current assets		4,433,624	3,636,318
Total assets less current liabilities		4,433,624	3,644,379
Net assets		**4,433,624**	**3,644,379**
Equity			
Called up share capital	**12**	2,150,002	2,150,002
Retained earnings		2,283,622	1,494,377
Equity attributable to equity holders of the parent		**4,433,624**	**3,644,379**

The notes on pages 16 to 21 form part of these financial statements.

The financial statements were approved by the board of Directors and authorised for issue and are signed on its behalf by:

Darren Ripton
Director
Date: 23 April 2025

Company Registration No. 08948895

Statement of Changes in Equity for the Year Ended 31 December 2024

Year ended 31 December 2023	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2023	500,002	759,391	1,259,393
Profit for the year	-	734,986	734,986
Shares issued during the year	1,650,000	-	1,650,000
At 31 December 2023	2,150,002	1,494,377	3,644,379
Year ended 31 December 2024			
At 1 January 2024	**2,150,002**	**1,494,377**	**3,644,379**
Profit for the year	-	789,245	789,245
At 31 December 2024	**2,150,002**	**2,283,622**	**4,433,624**

The notes on pages 16 to 21 form part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates
The following accounting policies have been applied consistently to all years presented when dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation
The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting standard applicable in the UK and Republic of Ireland and the Companies act 2006.

Exemptions for qualifying entities under FRS 102
The company is a qualifying entity for the purpose of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit and loss of the Aberdeen Group. The company has therefore taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest, income/expense and net gains/losses for each category of financial instruments; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit and loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS12.

Going concern
The Company's business activities, together with the factors likely to affect its future development and financial position, are set out in the Strategic Report.

The Company has made profit in the financial year and has sufficient financial resources. In preparing these financial statements, the Directors have also considered the impact of severe market shocks on Company forecasts, focusing specifically on:

- the current level of regulatory capital, which was £527k in excess of capital requirements at 31 December 2024;
- the level of liquid resources, including cash and cash equivalents;
- the potential impact of potential downside scenarios on revenue, assets flows and costs, including potential management actions;
- the effectiveness of the Company's operational resilience processes including the ability of key outsourcers to continue to provide services; and
- consideration of the going concern assessment of the Aberdeen Group.

In forming this opinion, the Directors have also considered any potential impact of macro-economic events like market volatility and the ongoing conflict in Ukraine on the going concern and viability of the Company.

Based on a review of the above factors the Board is satisfied that the Company remains well capitalised and has sufficient liquidity to withstand potential severe market shocks.

Consequently, the Board is satisfied that the Company has and will maintain sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

1 Accounting policies (continued)

Changes in accounting policy
No new standards, interpretations and amendments effective for the first time from 1 January 2024 are deemed to have had an impact on the Company.

Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the provision of managed portfolio services.

Management fees are generated on managed portfolio services and are generally based on agreed rates as a percentage of AUM. Management fees income is recognised based on the value of AUM and the fees are recognised when it is highly probable that a significant reversal will not be required. It is collected quarterly in arrears. The revenue is measured at the fair value of the consideration received or receivable.

Net Finance income
Interest income is derived on cash and cash equivalents. Interest is recognised on an accruals basis using the effective interest rate method.

Administrative expenses
Expenditure incurred by the Company is recognised in the month to which it relates. Expenses relating to a month that have not been invoiced are accrued, while invoices received and paid for expenses relating to future periods are recognised as prepayments.

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash at bank and highly liquid investments. Cash and cash equivalents are initially measured at fair value and subsequently at amortised cost.

Financial instruments
(i) Financial assets
Amortised cost
These instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These instruments are included in current assets and consist of accrued income, other receivables and tax assets. These instruments are initially recognised at fair value, net of any transaction costs, and subsequently at amortised cost using the effective interest rate method.

Impairment of financial assets
An expected credit loss impairment model is applied to financial assets measured at amortised cost. Impairment losses representing the expected credit loss in the next 12 months are recognised unless there has been a significant increase in credit risk from initial recognition or they relate to trade receivables in which case lifetime expected losses are recognised.

(ii)Financial Liabilities
Amortised cost
These instruments include amounts owed to Aberdeen Group undertakings, group relief payable and other payables. These instruments are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

Current & deferred tax
The tax expense comprises both current tax and deferred tax expense.

Current tax is the expected tax payable on taxable profit for the year and is calculated using tax rates and laws substantively enacted at the balance sheet date.

1 Accounting policies (continued)

Current & deferred tax (continued)

A deferred tax asset represents a tax deduction that is expected to arise in a future period. It is only recognised to the extent that there is expected to be future taxable profit or investment return to offset the tax deduction. A deferred tax liability represents taxes which will become payable in a future period as a result of a current or prior year transaction.

Where local tax law allows, deferred tax assets and liabilities are netted off on the statement of financial position. The tax rates used to determine deferred tax are those enacted or substantively enacted at the balance sheet date that are expected to apply when the deferred tax asset or liability are realised.

Deferred tax is recognised on temporary differences arising from investments in subsidiaries and associates unless the timing of the reversal is in our control and it is expected that the temporary difference will not reverse in the foreseeable future.

Current tax and deferred tax is recognised in the profit and loss account except when it relates to items recognised in other comprehensive income or directly in equity, in which case it is credited or charged to other comprehensive income or directly to equity respectively.

The Company and the Group apply the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

2 Judgements in applying accounting policies and key sources of estimation uncertainty.

The preparation of the financial statements can necessitate the use of key estimates and judgements. These estimates and judgements can affect the reported amounts of assets and liabilities, contingent or otherwise, at the balance sheet date as well as affecting the reported profit or loss for the year. In the process of applying the Company’s accounting policies, management has made no key estimates or judgements.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2024 £	2023 £
Management fees	5,462,305	3,650,815
Renewal income	-	752
Total revenue	**5,462,305**	3,651,567

All revenue in the current and prior year relates to operations in the United Kingdom.

4 Operating profit

Arrived after charging:	2024 £	2023 £
Loss on disposal of fixed assets	7,542	-
Depreciation	519	2,574
Audit of the financial statements	101,067	52,100

Amounts receivable by the Company’s auditor in respect of services to the Company, other than the audit of the Company’s financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of Aberdeen.

5 Directors' remuneration

Directors' aggregate remuneration and pension for the year was £228k (2023: £nil) and £35k (2023: £nil). During year ending 31 December 2024, this amount includes estimated recharges for remuneration and pension contributions to the Company for the costs incurred by other Group companies for Directors not employed by the Company. None of these Directors receive any incremental remuneration for being a director of the Company. During year ending 31 December 2023, only direct costs (£nil) were disclosed and due to board composition changes during 2023, it is not considered practical to restate on the same basis.

There were 3 Directors accruing benefits under defined contribution pension plans. In addition, 2 Directors received share awards in the year for shares of the Company's ultimate parent company, Aberdeen Group plc and 2 Directors exercised share options over Aberdeen Group plc shares in the year.

Of the aggregate remuneration and pension contributions above, £228k and £35k related to the highest paid director. The highest paid director received share awards in 2024 and 2023 and exercised options in 2024.

6 Net Finance Income

	2024 £	2023 £
Finance income		
Interest income on bank deposits	209,654	103,270
Net finance income	**209,654**	103,270

7 Tax charge

Analysis of tax charge in the year:	2024 £	2023 £
Current taxation		
UK corporation tax	265,163	226,372
UK corporation tax adjustment to prior year	198	-
Total current tax charge	265,361	226,372
Deferred taxation		
Arising from origination and reversal of temporary differences	(2,015)	(605)
Effect of change in tax rates	-	(39)
	(2,015)	(644)
Tax charge in the profit and loss account	**263,346**	225,728

The tax charge assessed for the year is higher (2023: lower) than the standard rate of corporation tax in the UK of 25% (2023: 23.5%). The differences are reconciled below:

	2024 £	2023 £
Profit on ordinary activities before tax	**1,052,591**	960,714
Corporation tax at standard rate of 25% (2023: 23.5%)	263,148	225,767
Adjustments to deferred tax with respect to change in tax rates	-	(39)
Adjustments in respect of prior year	198	-
Total tax charge for the year	**263,346**	225,728

The standard UK Corporation Tax rate for the accounting period is 25% (2023: 23.5%).

8 Tangible fixed assets

	Fixture and fittings £
Cost or valuation	
At 1 January 2024	80,509
Disposal during the year	(80,509)
At 31 December 2024	**-**
Depreciation	
At 1 January 2024	72,448
Depreciation charged in year	519
Eliminated on disposal	(72,967)
At 31 December 2024	**-**
Net book value	
At 31 December 2024	**-**
At 31 December 2023	8,061

All amortisation charges in the year have been charged through administrative expenses.

9 Trade and other receivables

	2024 £	2023 £
Current trade and other receivables		
Accrued income	583,567	1,328,434
Prepayments	11,201	1,378
Other receivables	3,131	1,079
Total current trade and other receivables	**597,899**	1,330,891

10 Trade and other payables

	2024 £	2023 £
Current trade and other payables:		
Amounts owed to Group undertakings	216,408	1,932,215
Group relief payable	265,169	253,587
Other payables	59	8,688
Total current trade and other payables:	**481,636**	2,194,490

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Deferred taxation

	2024 £	2023 £
At 1 January	314	(328)
Charged to the profit and loss account	2,016	646
At 31 December	**2,330**	314

The deferred tax asset can be analysed as follows:	2024 £	2023 £
Fixed assets timing difference	2,330	314
Deferred tax asset	**2,330**	314

Deferred tax assets are recognised as it is probable that sufficient future taxable profits will be available across the Aberdeen Group against which the deferred tax assets can be recovered. Their recoverability is measured against anticipated taxable profits and gains based on business plans cross the Aberdeen Group.

12 Share capital

Allotted, called up and fully paid	2024 £	2023 £
2,150,001,725,030 (2023 – 2,150,001,725,030) ordinary shares of £0.000001 each (2023 - £0.000001)	**2,150,002**	2,150,002

13 Related party transactions

In the normal course of business, the Company enters into transactions with related parties in respect of investment management business. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries.

All transactions between key management and their close family members and Aberdeen during the year are on terms which are equivalent to those available to all employees of Aberdeen.

14 Contingencies

The Company is subject to regulation in the UK where it operates its fund management businesses. In the UK the FCA has broad powers including powers to investigate marketing and sales practices.

The Company, like other financial organisations, is subject to legal proceedings, complaints and regulatory discussions, reviews, and challenges in the normal course of its business. All such material matters are periodically reassessed, with the assistance of external professional advisers where appropriate, to determine the likelihood of the Company incurring a liability. Where it is concluded that it is more likely than not that a material outflow will be made a provision is established based on management's best estimate of the amount that will be payable. At 31 December 2024, there are no identified contingent liabilities relating to the above matters expected to lead to a material exposure.

15 Parent and ultimate parent undertaking

The Company's immediate parent is Standard Life Savings Limited and its ultimate parent is Aberdeen, both of which are incorporated in the United Kingdom and registered in Scotland.

The most senior parent entity producing publicly available financial statements is Aberdeen. Copies of the consolidated Annual Report and Accounts are available to the public from 1 George Street, Edinburgh, EH2 2LL, or to download on the website www.Aberdeenplc.com.

16 Post balance sheet events

To the knowledge of the Directors, there have been no material events after the reporting period.