Dunedin (SAPE GP) Limited

Report and Accounts

31 March 2019

Registered No. 4253905

Contents

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Directors
Dougal Bennett
Shaun Middleton
Graeme Murray

Secretary
Graeme Murray

Auditor
KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Bankers
Lloyds Bank plc
City Office Branch
PO Box 1000
BX1 1LT

Registered Office
1st Floor
1 Vere Street
London
W1G 0DF

Directors' Report

The Directors present their report and the financial statements of Dunedin (SAPE GP) Limited for the year ended 31 March 2019.

Principal activity and review of business

The Company is a general partner in the Equity Harvest Fund LP ('the Partnership'). The Company continues to receive non-recourse advances from the Partnership in advance of its profit entitlements. The Company does not envisage any change in its activities in the foreseeable future.

Results and dividends

The profit for the year, after taxation, is £124 (2018 loss: £1). During the year a dividend of £15,664 was paid (2018: £nil).

Directors

The Directors of the Company at 31 March 2019 were:-

Dougal Bennett
Shaun Middleton
Graeme Murray

No Director has any direct interest in the share capital of the Company.

Financial instruments

The Company is not directly exposed to significant risks arising from financial instruments.

Disclosure of information to the auditor

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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Going concern

The Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

Strategic Report: Small Companies Exemption

The Company has taken advantage of the small companies exemption in section 414B of the Companies Act 2006 which allows it to not prepare a Strategic Report.

By order of the board

Graeme Murray

Graeme Murray
Secretary

9 July 2019

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

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 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;
- 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.

Independent Auditor's Report

to the Members of Dunedin (SAPE GP) Limited

Opinion

We have audited the financial statements of Dunedin (SAPE GP) Limited ("the company") for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position 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 March 2019 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report

to the Members of Dunedin (SAPE GP) 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
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, 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.

Gary Fensom (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
9 July 2019

Income Statement

For year ended 31 March 2019

	Notes	2019 £	2018 £
Turnover		46,962	64,078
Less: Administration expenses		(46,962)	(64,078)
Operating (loss)		-	-
Interest received / (paid)		124	(1)
Profit/(Loss) on ordinary activities before tax		124	(1)
Tax on profit/(loss) on ordinary activities		-	-
Profit / (loss) on ordinary activities after tax		124	(1)
Retained earnings at 1 April 2018 / 2017		15,540	15,541
Profit for the year		124	(1)
Dividends		(15,664)	-
Retained earnings at 31 March 2019 / 2018		-	15,540

All gains and losses arising during the period have been recognised in the profit and loss account and derive from continuing operations of the Company.

The notes on pages 10 to 13 form part of these financial statements.

Statement of Financial Position

At 31 March 2019

	Notes	2019 £	2018 £
Current assets			
Debtors	4	-	15,499
Cash		15,764	141
		15,764	15,640
Creditors: amounts falling due within one year	5	(15,664)	-
Net assets		100	15,640
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account		-	15,540
Shareholders' funds		100	15,640

The notes on pages 10 to 13 form part of these financial statements.

These financial statements were approved by the board of Directors on 9 July 2019 and were signed on its behalf by:

Graeme Murray .... Graeme Murray

Director

9 July 2019 .... Date

Company Registration No 4253905

Notes to the accounts

At 31 March 2019

1. Accounting policies

1.1 Basis of preparation

These financial statements have been prepared on a going concern basis under historical cost convention, in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, - 'The Financial Reporting Standard applicable in United Kingdom and Republic of Ireland' ('FRS102'), and with the Companies Act 2006.

The Company manages a private equity limited partnership as the General Partner. This partnership is a subsidiary undertaking and under the terms of the Companies Act 2006 should be consolidated in full. However, the Directors consider the accounts would not give a true and fair view if the assets and income as a whole were to be consolidated since the Company's interest in these assets is merely that of an investment manager.

The Company does not have a capital contribution in the underlying limited partnership and therefore there is no financial interest requiring consolidation in the financial statements of the Company.

The Company's ultimate parent undertaking, Dunedin LLP, includes the Company in its consolidated financial statements. The consolidated financial statements are available to the public and may be obtained from Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes: and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, have been applied consistently to all periods presented in these financial statements.

The Directors do not believe there to be any judgements or estimates in the application of these accounting policies that have significant effect on the financial statements or significant risk of material adjustment in the next year.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis except for financial instruments classified at fair value through profit or loss.

1.3 Turnover

Turnover represents non-recourse advances from the partnership in advance of its profit entitlements.

1.4 Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of prior years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the accounts

At 31 March 2019

1.5 Provisions for liabilities

A provision is recognised at the balance sheet date when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle an obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.6 Cash and cash equivalents

Cash comprises cash balances and call deposits.

1.7 Basic Financial Instruments

Trade and other debtors

Trade and other debtors are recognised at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost.

Trade and other creditors

Trade and other creditors are recognised at transaction price less attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost.

2. Administrative expenses

Administrative expenses relate to management fees paid to Dunedin LLP. All other administrative costs, including the audit fee of £2,000 (2018: £1,050) are borne by Dunedin LLP.

3. Tax on profit on ordinary activities

a) The taxation credit recognised in the statement of income:

	2019	*2018*
Current tax	£	£
Based on the profit for year:		
Corporation tax – prior year adjustment	-	-
Total tax	-	-

b) Reconciliation of effective tax rate

The tax assessed for the year is lower than the standard rate of corporation tax. The differences are explained below:

	2019	*2018*
	£	£
Profit/(Loss) on ordinary activities before tax	124	(1)
Corporation tax at standard rate of 19% (2017: 20%)	24	-
Effects of:		
Non-taxable income and disallowed expenses	(8,923)	(12,177)
Utilisation of tax losses	(24)	-
Profit allocation from LP's	8,923	12,177
Total tax included in the statement of income	-	-

Notes to the accounts

At 31 March 2019

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

4. Debtors

	2019	2018
	£	£
Other Debtors	-	15,499
	-	15,499

5. Creditors

	2019	2018
	£	£
Other Creditors	15,664	-
	15,664	-

6. Deferred Tax

The Company has an unrecognised deferred tax asset of £59,109 (2018: £56,173) based on a prospective corporation tax rate of 17% (2018: 17%). This has arisen from deductible expenses exceeding taxable income as a result of some of its share of partnership income not being subject to tax. It is not expected that the Company will generate sufficient taxable income in future periods that this asset will be utilised.

7. Called up share capital

	Allotted, called up and fully paid 2018 & 2019
	£
Ordinary shares of £1 each	100

Notes to the accounts

At 31 March 2019

8. Parent Undertaking

Dunedin Saltire Limited, which is registered in Scotland, owns 100% of the issued share capital of the Company.

9. Related party transactions

The Company is a wholly owned subsidiary of Dunedin Saltire Limited which in turn is wholly owned by Dunedin LLP. All subsidiaries in the Dunedin LLP Group are wholly owned and consequently the Company has taken advantage of the exemption under FRS 102 from disclosing transactions with other group companies.

The Company is the General Partner of Equity Harvest Fund LP and as such is deemed to be a related party of the Company. The only transactions in the year is the receipt of non-recourse advances in advance of profit share as disclosed within Turnover. There were no amounts outstanding at the year end.