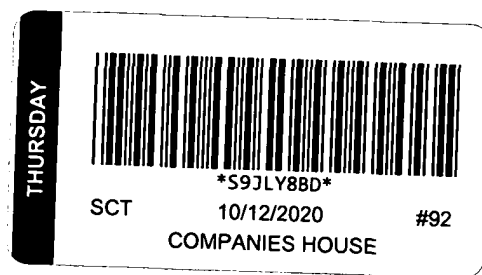


# **Dunedin (SAPE GP) Limited**

## **Report and Accounts**

**31 March 2020**

**Registered No. 4253905**



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**Dunedin (SAPE GP) Limited**

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**Registered No. 4253905**

**Directors**

Dougal Bennett  
Shaun Middleton  
Graeme Murray

**Secretary**

Graeme Murray

**Auditor**

Johnston Carmichael LLP  
7-11 Melville Street  
Edinburgh  
EH3 7PE

**Bankers**

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

**Registered Office**

1<sup>st</sup> 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 2020.

### 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 loss for the year, after taxation, is £1,491 (2019 profit: £124). During the year a dividend of £nil was paid (2019: £15,664).

### COVID-19 impact

There is a risk that the profitability of the Company could be adversely impacted due to the adverse economic impact on the UK and world economy from COVID-19. A representative of Dunedin LLP ("Dunedin") sits on the board of each Dunedin portfolio company. These companies hold regular board meetings at which the financial position of the company is monitored. Between board meetings there is an ongoing dialogue between Dunedin and the senior management of the portfolio company. Each portfolio company monitors all risks pertinent to their businesses including COVID-19 and the potential impact these risks may have on their businesses, and develops contingency plans where appropriate.

The Board is satisfied that COVID-19 will not impact the Company's ability to continue as a going concern.

### Directors

The Directors of the Company at 31 March 2020 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

Following a competitive tender process, KPMG LLP resigned as auditors on 7th October 2019 and Johnston Carmichael LLP were appointed as auditors. Johnston Carmichael LLP have expressed their willingness to continue in office and the manager has consented to their re-appointment.

### 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.

## Directors' Report

### **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  
Secretary

25 June 2020

## **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.

## Income Statement

For year ended 31 March 2020

### Opinion

We have audited the financial statements of Dunedin (SAPE GP) Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income and retained earnings, the statement of financial position 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Income Statement

For year ended 31 March 2020

### Opinions on other matters prescribed by the Companies Act 2006

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

### Matters on which we are required to report by exception

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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- 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.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



## Income Statement

For year ended 31 March 2020

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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.

*Johnston Carmichael LLP*

David Holmes (Senior Statutory Auditor)  
for and on behalf of Johnston Carmichael LLP

25 June 2020  
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Chartered Accountants  
Statutory Auditor

7-11 Melville Street  
Edinburgh  
EH3 7PE

## Income Statement

For year ended 31 March 2020

	2020	2019
Notes	£	£
<b>Turnover</b>	38,528	46,962
Less: Administration expenses	(40,028)	(46,962)
<b>Operating (loss)</b>	(1,500)	-
Interest received	9	124
<b>(Loss)/profit on ordinary activities before tax</b>	(1,491)	124
Tax on (loss)/profit on ordinary activities	-	-
<b>Loss/profit on ordinary activities after tax</b>	(1,491)	124
Retained earnings at 1 April 2019 / 2018	-	15,540
(Loss)/profit for the year	(1,491)	124
Dividends	-	(15,664)
<b>Retained earnings at 31 March 2020 / 2019</b>	(1,491)	-

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 12 to 15 form part of these financial statements.

## Statement of Financial Position

At 31 March 2020

	Notes	2020 £	2019 £
<b>Current assets</b>			
Debtors	4	-	-
Cash		109	15,764
		<u>109</u>	<u>15,764</u>
<b>Creditors: amounts falling due within one year</b>	5	(1,500)	(15,664)
<b>Net assets</b>		<u>(1,391)</u>	<u>100</u>
<b>Capital and reserves</b>			
Called up share capital	7	100	100
Profit and loss account		(1,491)	-
<b>Shareholders' funds</b>		<u>(1,391)</u>	<u>100</u>

The notes on pages 12 to 15 form part of these financial statements.

These financial statements were approved by the board of Directors on 25 June 2020 and were signed on its behalf by:

Graeme Murray

Graeme Murray

Director

25/6/20

Date

Company Registration No 4253905

## Notes to the accounts

At 31 March 2020

### 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.

#### 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 it is 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 2020

### 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 and the audit fee of £1,500 (2019: £2,000).

## 3. Tax on profit on ordinary activities

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

	2020	2019
	£	£
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:

	2020	2019
	£	£
Profit/(Loss) on ordinary activities before tax	(1,491)	124
Corporation tax at standard rate of 19% (2019: 19%)	(283)	24
Effects of:		
Non-taxable income and disallowed expenses	(7,320)	(8,923)
Excess management expenses not recognised	283	-
Utilisation of tax losses	-	(24)
Taxable income from partnerships	7,320	8,923
Total tax included in the statement of income	-	-

## Notes to the accounts

At 31 March 2020

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.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%). This new law was substantively enacted on 17 March 2020. Deferred tax balances have been measured at this rate.

### 4. Debtors

	2020 £	2019 £
Other Debtors	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

### 5. Creditors

	2020 £	2019 £
Other Creditors	1,500	15,664
	<u>1,500</u>	<u>15,664</u>
	<u>1,500</u>	<u>15,664</u>

### 6. Deferred Tax

The Company has an unrecognised deferred tax asset of £73,573 (2019: £59,109) based on a prospective corporation tax rate of 19% (2019: 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

	<i>Allotted, called up and fully paid 2019 &amp; 2020 £</i>
Ordinary shares of £1 each	100
	<u>100</u>

## Notes to the accounts

At 31 March 2020

### 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.