

Aberdeen Direct Property (Holding) Limited

Directors' report and financial statements

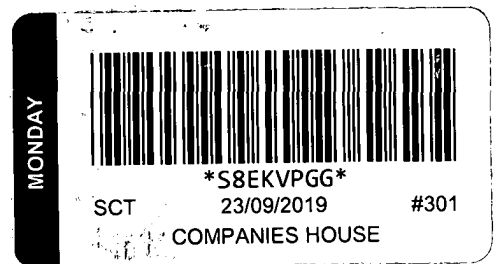
Registered number 09796259

For the year ended 31 December 2018

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Directors' Report

The Directors present their annual report and financial statements for Aberdeen Direct Property (Holding) Limited ("the Company") for the year ended 31 December 2018.

Business review and future developments

The Company's principal activity is to act as an investment holding company, with no expected change in the future.

The Company has considered the impact of Brexit and does not consider there to be any material impact on dividends received from UK and EMEA subsidiaries, or the carrying value of investments in subsidiary undertakings. Brexit is also not expected to have a significant impact on the structure or operations of the Company.

Dividends

There was no interim dividend (2017: £nil) paid in the year and the Directors do not propose a final dividend for the year (2017: £nil).

Key performance indicators

The Directors are of the opinion that analysis using key performance indicators is not necessary because the Company does not perform any ongoing trading activities.

Principal risks and uncertainties

Standard Life Aberdeen PLC ("SLA PLC"), of which the Company is part, has an established Enterprise Risk Management framework, integrating oversight of strategic planning, operational management of the business and internal control. The Company is not exposed to significant risks in relation to its operating activities, nor does the Company perform any regulated activities.

Directors

The Directors who held office during the year and to the date of this report were as follows:

Tenon Nominees Limited
R C Edwards

All the Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Disclosure of information to 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.

Independent auditor

The auditors, KPMG LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Directors' Report (continued)

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.

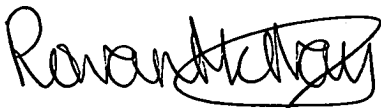
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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.

By order of the Board



R J McNay
for and on behalf of Tenon Nominees Limited, Corporate Director
12 September 2019

Independent Auditor's Report to the Members of Aberdeen Direct Property (Holding) Limited

Opinion

We have audited the financial statements of Aberdeen Direct Property (Holding) Limited ("the company") for the year ended 31 December 2018 which comprise the balance sheet, statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, including related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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.

Independent Auditor's Report to the Members of Aberdeen Direct Property (Holding) Limited (continued)

Directors' report (continued)

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.

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; or
- 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 2, 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.



Philip Merchant (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
20 Castle Terrace
Edinburgh
United Kingdom
EH1 2EG
12 September 2019

Balance sheet

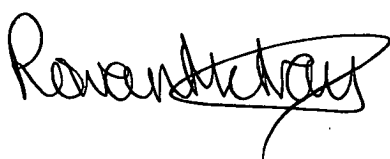
At 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	3	21,589	10,818
Current assets			
Debtors	4	<u>1</u>	<u>1</u>
		1	1
Creditors: amounts due within one year	5	(21,589)	(10,818)
Net current liabilities		<u>(21,588)</u>	<u>(10,817)</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Share capital	6	<u>1</u>	<u>1</u>
		1	1

The notes on pages 7 to 9 form part of these financial statements.

The Company did not trade in the current year or prior period and consequently no profit and loss account or statement of comprehensive income has been prepared. The statutory audit fee of £3,263 (2017: £3,183) has been paid by a fellow group undertaking.

These financial statements were approved by the Board of Directors on 12 September 2019 and were signed on its behalf by:



R J McNay
 for and on behalf of Tenon Nominees Limited, Corporate Director

Statement of changes in equity

At 31 December 2018

	2018 £	2017 £
Share capital issued	1	1
Balance at 31 December	<u>1</u>	<u>1</u>

The notes on pages 7 to 9 form part of these financial statements.

Notes to the financial statements (continued)

1. General information

The Company is a private Company limited by share capital and incorporated and domiciled in the United Kingdom. The address of the registered office is:

Bow Bells House
1 Bread Street
London
EC4M 9HH

The Company's business activities, together with expected future developments and key risks facing the Company are detailed in the Directors' Report.

These financial statements were authorised for issue by the Board of Directors on 12 September 2019.

2. Accounting policies

The following accounting policies have been applied consistently to all periods presented when dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The Company meets the definition of a qualifying entity under Application of Financial Reporting Requirements 100 as issued by the Financial Reporting Council. Accordingly, the financial statements for the year ended 31 December 2018 have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

Application of FRS 101, in conjunction with the equivalent disclosures being available in the group accounts of SLA PLC, has allowed the Company to take advantage of various disclosure exemptions. These are presentation of a cash-flow statement, new IFRSs not yet effective, financial instruments, key management compensation and transactions with group companies.

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006.

The Company is a wholly owned subsidiary of SLA PLC and is therefore exempt from the requirement to prepare consolidated accounts by virtue of section 40 of the Companies Act 2006.

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 Directors' Report.

The Company has net current liabilities and is therefore reliant on support from Aberdeen Asset Management PLC ("AAM PLC") to meet its liabilities as they fall due within the next 12 months. The Directors have received a letter of support from the directors of AAM PLC to continue to provide further financial and other support to the Company, including not seeking repayment of amounts currently made available for at least for the next twelve months and thereafter for the foreseeable future to enable it to continue to trade.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of AAM PLC, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Notes to the financial statements (continued)

2. Accounting policies (continued)

Financial liabilities

Classification, recognition and measurement

- *Amortised cost* - These instruments include amounts owed to group undertakings. These instruments are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

Impairment of non-financial assets

In respect of investments in subsidiaries an impairment loss is recognised when events or changes in circumstances indicate that the recoverable amount of the asset may not exceed its carrying value. If any such indication exists, the asset's recoverable amount is estimated and any provision for impairment recognised. Any impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation, if no impairment loss had been recognised.

Critical accounting estimates

Management have not used any critical accounting estimates or judgements when preparing the financial statements.

3. Investments

	Subsidiary undertakings (unlisted) £
At 31 December 2017	10,818
Additions	10,771
At 31 December 2018	21,589

The Company made an investment in ASPER (Luxembourg) GP S.A.R.L during the year. Direct and indirect holdings of the Company are disclosed in note 9.

4. Debtors

	2018 £	2017 £
Amounts owed by Group undertakings	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

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

5. Creditors

	2018 £	2017 £
Amounts owed to Group undertakings	<u>(21,589)</u>	<u>(10,818)</u>
	<u>(21,589)</u>	<u>(10,818)</u>

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

Notes to the financial statements (continued)

6. Share capital

	2018 £	2017 £
Authorised, allotted, called up and fully paid:		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

7. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

8. Ultimate parent company

The Company's immediate parent company is Aberdeen Investments Limited and its ultimate parent company is SLA PLC, which is incorporated in the United Kingdom and registered in Scotland.

The results of the Company are consolidated in the Group accounts of SLA PLC, which is the largest and smallest group that the results are consolidated within, which are available to the public and may be obtained from 1 George Street, Edinburgh, EH2 2LL.

9. Investment holdings

Direct and indirect holdings of the Company are listed below. Holdings are at 100%, unless stated otherwise.

Name of undertaking	Country of registration	Direct/ indirect	Percentage owned other than 100%
UK PRS Opportunities General Partner Limited	UK	Direct	-
AEROF (Luxembourg) GP S.A.R.L	Luxembourg	Direct	-
ASPER (Luxembourg) GP S.A.R.L	Luxembourg	Direct	-