Dunedin Capital Partners Limited

Report and Accounts

31 March 2018

Registered No. SC82727

Contents

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Directors
Graeme Murray
Shaun Middleton

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
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

Directors' Report

The Directors present their annual report and financial statements for the year ended 31 March 2018.

Results and dividends

The profit for the year, after taxation, is £16,526 (2017: £8,764). The Directors recommend a final ordinary dividend of £nil (2017: £nil) making a total ordinary dividend of £20,500 (2017: £171,106).

Principal activity and review of the business

The Company holds an investment in Dunedin LLP for the purpose of receiving allocations of profit and has not traded in the year.

Directors

The Directors of the Company at 31 March 2018 were:-

Graeme Murray
Shaun Middleton

In accordance with the Articles of Association none of the Directors retires by rotation.

Financial instruments

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

Disclosure of information to the auditor

The Directors confirm that so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the steps that they ought to have taken as Directors in order 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 KPMG LLP will be reappointed as auditor.

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 not to prepare a Strategic Report.

By order of the Board

Graeme Murray

Graeme Murray
Secretary
25 June 2018

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 Capital Partners Limited

Opinion

We have audited the financial statements of Dunedin Capital Partners Limited ("the company") for the year ended 31 March 2018 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 2018 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

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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.

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.

Independent Auditor's Report

to the Members of Dunedin Capital Partners Limited

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.

John Waterson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

25 June 2018

Statement of Income and Retained Earnings

for the year ended 31 March 2018

	Notes	*2018* £	*2017* £
Turnover		20,000	15,000
Administrative expenses		(3,720)	(4)
Operating profit	2	16,280	14,996
Interest receivable		-	39
Profit on ordinary activities before taxation		16,280	15,035
Tax on profit on ordinary activities	3	246	(6,270)
Profit on ordinary activities after tax		16,526	8,764
Retained earnings at 1 April 2017 / 2016		772,998	935,340
Profit for the year		16,526	8,764
Dividends paid		(20,500)	(171,106)
Retained earnings at 31 March 2018 / 2017		769,024	772,998

All gains and losses arising during the year 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 2018

	Notes	*2018* £	*2017* £
Fixed assets			
Investments	4	770,463	770,463
		770,463	770,463
Current assets			
Cash		1,404	8,922
		1,404	8,922
Creditors: amounts falling due within one year	5	(2,743)	(6,287)
Current assets less current liabilities		(1,339)	2,635
Total assets less total liabilities		769,124	773,098
Capital and reserves			
Called up share capital	6	100	100
Profit and loss account		769,024	772,998
Shareholders' funds		769,124	773,098

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

These financial statements were approved by the board of Directors on 25 June 2018 and were signed on its behalf by:

Graeme Murray .... Graeme Murray

Director

25 June 2018 .... Date

Company Registration No SC82727

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1. **Accounting policies**

1.1 Basis of preparation

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

The Company's parent undertaking, Dunedin Capital Group HoldCo Limited, 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.

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 Basic financial instruments

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

1.4 Other financial instruments

Financial instruments not considered to be basic financial instruments (other financial instruments)

Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition, other financial instruments are measured at fair value with changes recognised in profit or loss except for investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are measured at cost less impairment.

1.5 Turnover

Turnover represents profit allocation from an interest in Dunedin LLP.

1.6 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

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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.

1.7 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.

1.8 Cash and cash equivalents

Cash comprises deposits with banks maturing within one year and cash in hand.

2. Operating profit

Operating profit is stated after administrative costs which include the audit fee of £2,100 (2017: £2,100). In the prior year, these fees were bome by Dunedin LLP.

3. Taxation

a) Total tax expense recognised in the statement of income:

	2018	*2017*
	£	£
Current tax		
Based on the profit current year:		
Corporation tax - current year	3,093	3,007
- prior year	(3,339)	2,850
Group relief – prior year adjustment	-	413
Total current tax (credit)/charge	(246)	6,270

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3. Taxation (continued)

b) Reconciliation of effective tax rate:

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

	2018	2017
	£	£
Profit on ordinary activities before tax	16,280	15,035
Corporation tax at standard rate of 19.0% (2017: 20.0%)	3,093	3,007
Effects of:		
Non-taxable income and disallowed expenses	(3,093)	(3,007)
Prior year adjustment	(3,339)	3,263
Profit allocation from Dunedin LLP	3,093	3,007
Total tax (credit)/charge included in Statement of Income	(246)	6,270

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. Investments

	2018	2017
	£	£
Capital contribution to Dunedin LLP	770,463	770,463

Investments represent a capital contribution to Dunedin LLP which is classified as 'Other financial instruments' under FRS 102 and is measured at fair value. The Directors have determined fair value with reference to the contractual rights of the Company's interest in Dunedin LLP as well as the net asset position of Dunedin LLP as at 31 March 2018.

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company has adopted Amendments to FRS 102 – Fair value hierarchy disclosures issued by the Financial Reporting Council in March 2016. As the Company's investment relates to a capital contribution with fair value being determined by reference to unobservable inputs outlined above, the investment has been deemed Level 3 of the fair value hierarchy. There has been no change in the valuation methodology or movement in fair value in the year

5. Creditors: amounts falling due within one year

	2018	2017
	£	£
Corporation tax	2,743	5,874
Group relief	-	413
	2,743	6,287

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6. Called up share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

7. Parent undertaking

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

8. Related party transactions

The Company is a wholly owned subsidiary of Dunedin Capital Group HoldCo Limited and consequently has taken advantage of the exemption under FRS 102 from disclosing transactions with its parent.

The Company is a corporate member of Dunedin LLP. The Directors of the Company are also members of the Dunedin LLP and thus are deemed to be related parties due to being under common control. The only transactions in the year is the allocation of profits from Dunedin LLP to the Company of £20,000. There were no amounts outstanding at year end.