

SEP II GP Limited

**Directors' report and financial
statements**

**Registered number SC212590
for the year ended 30 June 2021**



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Directors' report

The Directors of SEP II GP Limited ("the Company") present their report and the audited financial statements for the year ended 30 June 2021. The Directors who held office during the year and to the date of this report are:

Calum Paterson

Stuart Paterson

Principal activities

The Company acts as General Partner for SEP II LP and SEP II B LP.

Going concern

The company has been assessed by the Directors and is continuing as a going concern. For more details see note 1.

Proposed dividend

The Directors do not recommend the payment of a dividend (2020: nil).

Political and charitable contributions

The Company made no political or charitable contributions during the year (2020: nil).

Disclosure of qualifying third party indemnity provisions

At the date of this report, indemnities are in force under which the Directors are entitled to be indemnified, to the extent permitted by law and the Company's articles of association, in respect of any losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

Disclosure of information to Auditors

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

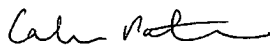
Auditors

Pursuant to Section 487 of the Companies Act 2006, the Auditors will be deemed to be re-appointed and Deloitte LLP will therefore continue in office.

Small companies exemption

This report has been prepared in accordance with the special provisions applicable to small companies which exempts the company from preparing a strategic report.

By order of the Board



Calum Paterson
Director

17 Blythswood Square
Glasgow
G2 4AD
6 October 2021

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the 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 the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the Members of SEP II GP Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of SEP II GP Limited (the 'Company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 4.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

We have nothing to report in respect of these matters.

Other information

The other information comprises the information included in the financial statements, other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the financial statements. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditor's report to the Members of SEP II GP Limited

(continued)

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Companies Act 2006; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address this are described below:

We presume a risk of material misstatement due to fraud related to revenue recognition. Due to the nature and structure of the entity there is a risk that revenue received from subsidiary undertakings in the form of management fees have been valued incorrectly. We perform the following procedures in response to the significant risk:

- evaluate the revenue process and design and implementation of related controls
- agree management fees received and paid to supporting invoices and bank statements

Independent Auditor's report to the Members of SEP II GP Limited

(continued)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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 any material misstatements in the Directors' report.

Matters on which we are required to report by exception

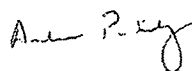
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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.



Andrew Partridge CA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Glasgow, United Kingdom

6 October 2021

Income statement
for the year ended 30 June 2021

	<i>Note</i>	2021 £	2020 £
Operating expenses		-	-
Return before taxation		-	-
Tax charge on return		-	-
Return for the financial year		-	-

The notes on pages 9 to 10 form part of these financial statements.

All items in the income statement derive from continuing activities.

The Company (registered number SC212590) has no comprehensive income other than that included within the income statement therefore no separate statement of comprehensive income has been presented.

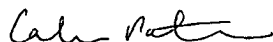
Statement of financial position
as at 30 June 2021

	<i>Note</i>	2021 £	2020 £
Current assets			
Cash		30,458	30,458
		<u>30,458</u>	<u>30,458</u>
Net assets		<u>30,458</u>	<u>30,458</u>
Capital and reserves			
Called up share capital	2	1	1
Profit and loss account	3	30,457	30,457
		<u>30,458</u>	<u>30,458</u>
Shareholders' funds attributable to equity interests		<u>30,458</u>	<u>30,458</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 9 to 10 form part of these financial statements.

These financial statements of SEP II GP Limited (registered number SC212590) were approved by the board of Directors on 6 October 2021 and were signed on its behalf by:



Calum Paterson
Director

Statement of changes in equity
as at 30 June 2021

	Called up share capital £	Profit & loss account £	Total £
At 1 July 2019	1	30,457	30,458
Total comprehensive income	-	-	-
At 30 June 2020	1	30,457	30,458
Total comprehensive income	-	-	-
At 30 June 2021	1	30,457	30,458

The notes on pages 9 to 10 form part of these financial statements.

Notes (forming part of the financial statements)

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

SEP II GP Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The registered office is 17 Blythswood Square, Glasgow, Scotland, G2 4AD. The Company acts as General Partner for SEP II and SEP II B.

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102 (FRS 102) Section 1A 'Small entities', issued by the Financial Reporting Council.

The functional currency of SEP II GP Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The Directors have considered the going concern assumption of the Company, particularly given the COVID-19 pandemic, and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the approval of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Taxation

Taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all timing differences. Deferred tax assets are only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the timing differences and tax losses can be deducted.

The Company is part of a tax group which allows for current tax liabilities to be offset by current tax losses arising in other companies within the same tax group. The Company elects to value group relief at zero as any balances arising will not be settled.

2 Called up share capital

	2021 £	2020 £
<i>Authorised</i>		
Equity: 1,000 ordinary shares of £1 each	1,000	1,000
<i>Allotted, called up and fully paid</i>		
Equity: 1 ordinary share of £1 each	1	1

3 Profit and loss account

	2021 £	2020 £
At beginning of year	30,457	30,457
Retained return for the year	-	-
At end of year	30,457	30,457

Notes *(continued)*

4 Ultimate parent company

The Company's immediate parent undertaking is SEP Ventures Limited and its ultimate parent undertaking is Scottish Equity Partners LLP. The Company is consolidated into the Scottish Equity Partners LLP financial statements only and is the largest and smallest group for which consolidated accounts are prepared.

A copy of the consolidated financial statements of Scottish Equity Partners LLP is available at the registered office:

Scottish Equity Partners LLP, 17 Blythwood Square, Glasgow, G2 4AD.