



abrdn CP (Holdings) Limited
(Formerly SLCP (Holdings) Limited)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Registration number: SC293351

WEDNESDAY



S8D1P4QH

SCT

21/09/2022

#80

COMPANIES HOUSE

Contents

Company Information	1
Strategic Report	2 to 4
Directors' Report	5 to 7
Independent Auditor's Report	8 to 11
Profit and Loss Account	12
Balance Sheet	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 to 22

Company Information

Directors

J R Bryden
M Lemond
M McKay
S Tyszko

Company secretary

abrdn Corporate Secretary Limited

Registered office

1 George Street
Edinburgh
Scotland
EH2 2LL

Auditor

KPMG LLP
Chartered Accountants and Statutory Auditor
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Strategic Report for the Year Ended 31 December 2021

The Directors present their strategic report on abrdn CP (Holdings) Limited "the Company" for the year ended 31 December 2021, in accordance with section 414A of the Companies Act 2006.

Business review and future developments

The Company's principal activity is that of an intermediary holding company with investments in subsidiaries and is part of abrdn plc (formerly "Standard Life Aberdeen plc") ("abrdn plc" or, together with its subsidiaries, "the abrdn Group"). There are no plans to change the principal activity of the Company.

The Company performed a review of the carrying value of its investment in subsidiaries balance. This has resulted in the Company impairing its investment in SL Capital Partners (US) Limited ("SLCP US"), due to SLCP US entering liquidation on 3 September 2021. The total impairment value and the resulting loss for the year is £115k.

Enhancing our governance

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to:

- a) the likely consequences of any decision in the long term;
- b) the need to foster the Company's business relationships with suppliers customers and others;
- c) the impact of the Company's operations on the community and the environment;
- d) the desirability of the Company maintaining a reputation for high standards of business conduct; and
- e) the need to act fairly between different members of the Company.

The Directors give careful consideration to the factors set out above in discharging their duties under section 172.

The Board recognises that the long-term success of the business is dependent on the way it works with a large number of important stakeholders. The Directors have had regard to the interests of stakeholders (including clients and customers, our people, society and our shareholders) while complying with their obligations to promote the success of the Company in line with section 172 of the Companies Act. The Board has discussed these obligations, including how stakeholder engagement is incorporated into our long-term decision-making and how the Company operates as a subsidiary within the wider abrdn Group of companies.

In managing the Company, the Directors have taken into account the requirements of section 172 (1) of the Companies Act 2006 as summarised below:

The likely consequence of any decision in the long term - The Board of Directors of the Company operate the Company in accordance with the Company's Articles and the overall abrdn plc business plan, which considers the long term success of the Company and the group as a whole, and the likely long term consequences of any decisions by the company are taken into account. The Directors have determined that there are no Company specific matters appropriate to disclose in relation to long term decisions made by the Company.

Strategic Report for the Year Ended 31 December 2021 (continued)

Enhancing our governance (continued)

The need to foster the Company's business relationships with suppliers, customers and others - Supplier relationships within the abrdn Group of companies are managed under the Outsourcing and Third Party Management Policies, which apply to all subsidiary companies. Engagement with suppliers, customers and others is considered at abrdn plc level and engagement matters have been disclosed in the abrdn plc Annual Report and Accounts which does not form part of this report. The Directors have determined that there are no Company specific matters appropriate to disclose in relation to suppliers, customers and others.

The impact of the Company's operations on the community and the environment - Engagement on environmental and community matters is considered at abrdn plc level and such matters have been disclosed in the abrdn plc Annual Report and Accounts, which does not form part of this report. The Directors have determined that there are no company specific matters appropriate to disclose, as the Company has no direct environmental or community impact beyond the impact of the wider group.

The desirability of the Company maintaining a reputation for high standards of business conduct - Maintaining a reputation for, and upholding, high standards of business conduct is vital to the ongoing success of the abrdn Group, including the Company.

The need to act fairly as between members of the Company - The Company has a single member, and is a wholly owned subsidiary of abrdn plc.

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks.

The abrdn Group, of which the Company is a part, has an Enterprise Risk Management ("ERM") framework comprising three lines of defence; the first being day-to-day risk management, including identification and mitigation of risks and maintaining appropriate controls; the second being oversight from the abrdn Group Risk and Compliance function, which reports to the Chief Risk Officer; and the third being the Internal Audit function, reporting to the Chief Internal Auditor, which independently verifies systems of control.

The ERM framework underpins risk management throughout the abrdn Group, including the Company, which has evolved to ensure it keeps pace with industry best practice and risk profile of the abrdn Group. Improvements in 2021 include strengthening the risk appetite framework by introducing new risk tolerances to support governance and risk management, extending and refining risk taxonomy to help describe risk more accurately and reviewing the abrdn Group policy framework and policy register.

The principal risks and uncertainties facing the Company are integrated into the principal risks of the abrdn Group and are therefore not managed separately. The principal risks and uncertainties of abrdn plc, which include those of the Company, are detailed below:

Coronavirus (COVID-19)

COVID-19 has continued to impact the operating environment of the abrdn Group during 2021. Great resilience has been shown in dealing with the effects of the pandemic and the continued management of its market, operational and financial impacts in order to deliver the vector business plans, of which the Company is a part of, and enhancement of client focus.

The further lifting of restrictions in the UK has allowed the abrdn Group to take the next step towards 'blended working' as the default arrangement for employees. Offices will remain the primary place to go when physical interaction with colleagues is required to collaborate and connect.

Strategic Report for the Year Ended 31 December 2021 (continued)

Principal risks and uncertainties (continued)

Strategic risk

These are risks that could prevent the achievement of strategic aims and successfully delivering business plans. These could include failing to meet client expectations, poor strategic decision-making, poor implementation or failure to adapt. Geopolitical unrest and associated risks continue to be a key strategic risk and can impact the market in which we operate, impact our reputation and increase our capital exposure. Risks are mitigated by ongoing Board consideration of strategic risks.

Financial risk

This is the risk of having insufficient resources, suffering losses from adverse markets or the failure or default of counterparties. It could be influenced by inflows and outflows, global market trends, as well as margins on investment mandates.

Investment Impairment

As an intermediary investment holding company the Company is exposed to the risk of investment impairments in underlying subsidiary companies. The risk of impairment is dependent upon a number of internal and external factors that could impact the operating environment of the subsidiary companies. Management review the operating results of underlying subsidiary companies to determine if any indicators of impairment exist. Details of any investment impairments in the year can be found in note 5.

Environmental matters

The Company follows the environmental strategy of the abrdn Group which is disclosed within the abrdn plc Annual Report and Accounts.

Approved by the Board on 15 September 2022 and signed on its behalf by:



.....
J R Bryden
Director

Directors' Report for the Year Ended 31 December 2021

The Directors present their annual report together with the audited financial statements of abrdn CP (Holdings) Limited ("the Company") for the year ended 31 December 2021.

Directors of the Company

The Directors, who held office during the year, were as follows:

I Harris (resigned 1 October 2021)

S Hay (resigned 22 February 2022)

R J Pim (resigned 22 February 2022)

The following directors were appointed after the year end:

J R Bryden (appointed 22 February 2022)

M Lemond (appointed 22 February 2022)

M McKay (appointed 22 February 2022)

S Tyszko (appointed 22 February 2022)

Company secretary

The Company secretary during the year was abrdn Corporate Secretary Limited (formerly "SLA Corporate Secretary Limited")

Change of name

On 26 November 2021, the Company's name changed from SLCP (Holdings) Limited to abrdn CP (Holdings) Limited.

Going concern

The Company has made losses in the financial year and has nil net assets. The Board's assessment of going concern took into account recent market developments and is reliant on support from abrdn Capital Partners LLP ("aCP LLP") to meet its liabilities as they fall due within the next 12 months from the date of approval of the financial statements. The Directors have received a letter of support from the Members of aCP LLP to continue to provide further financial and other support to the Company, to enable it to continue to trade. Further information is provided in note 1.

Dividends

The Directors recommended and paid dividends of £nil in 2021 (2020: £nil) to the Company's immediate parent, namely abrdn Capital Partners LLP (formerly SL Capital Partners LLP).

Political donations

It is the Company's policy not to make donations for political purposes.

Independent auditor

The Independent Auditor, KPMG LLP, has indicated their willingness to continue in office.

Directors' Report for the Year Ended 31 December 2021 (continued)

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Modern slavery act

As a global investment company, abrdn plc wants to do all it can to help tackle human trafficking, forced labour, bonded labour and child slavery by focusing on its operations, supply chain and investment process. abrdn plc has published a modern slavery statement, reinforcing its commitment to this important issue. This can be found on the abrdn plc website.

Directors' Report for the Year Ended 31 December 2021 (continued)

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

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

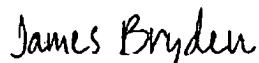
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard ("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 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.

Approved by the Board on 15 September 2022 and signed on its behalf by:



.....
J R Bryden
Director

Independent Auditor's Report to the Members of abrdn CP (Holdings) Limited

Opinion

We have audited the financial statements of abrdn CP (Holdings) Limited ("the company") for the year ended 31 December 2021 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity 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 December 2021 and of its loss 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.

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").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation

Independent Auditor's Report to the Members of abrdn CP (Holdings) Limited

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud; and
- Reading Board minutes to assess for any discussion of fraud.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. We also performed procedures including identifying journal entries to test based on high risk criteria and comparing the identified entries to supporting documentation. These included all material post year end closing journals.

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent Auditor's Report to the Members of abrdn CP (Holdings) Limited

Fraud and breaches of laws and regulations – ability to detect (continued)

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

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

Our responsibility is to read the strategic report and 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have 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.

We have nothing to report in these respects.

Other matter - prior period financial statements

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

Independent Auditor's Report to the Members of abrdn CP (Holdings) Limited

Directors' responsibilities

As explained more fully in their statement set out on page 6, 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.



Scott Flavin (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

16 September 2022

Profit and Loss Account for the Year Ended 31 December 2021

		2021	Restated*
	Note	£	2020 £
Impairment of investments	5	(115,000)	(100)
Loss before tax		(115,000)	(100)
Loss for the year		(115,000)	(100)

The Company has not recorded any other comprehensive income during the years to 31 December 2021 or 31 December 2020. A separate statement of comprehensive income is therefore not disclosed.

*Comparatives for the year ended 31 December 2020 have been restated. Refer to note 11.

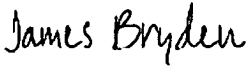
The notes on pages 15 to 22 form an integral part of these financial statements.

Balance Sheet as at 31 December 2021

	Note	2021 £	Restated* 2020 £
Assets			
Non-current assets			
Investments in subsidiaries	5	2,506	2,506
Total non-current assets		2,506	2,506
Equity and liabilities			
Equity			
Share capital	6	115,100	100
Retained earnings		(115,100)	(100)
Equity attributable to equity holders of the parent		-	-
Liabilities			
Current liabilities			
Trade and other payables	7	2,506	2,506
Total liabilities		2,506	2,506
Total equity and liabilities		2,506	2,506

*Comparatives for the year ended 31 December 2020 have been restated. Refer to note 11.

Approved by the Board on 15 September 2022 and signed on its behalf by:



 J R Bryden
 Director

Registration number: SC293351

The notes on pages 15 to 22 form an integral part of these financial statements.

Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £	Retained earnings £	Total £
At 1 January 2020	100	-	100
Loss for the year (Restated*)	-	(100)	(100)
Total comprehensive income	-	(100)	(100)
At 31 December 2020	100	(100)	-

	Share capital £	Retained earnings £	Total £
At 1 January 2021	100	(100)	-
Loss for the year	-	(115,000)	(115,000)
Total comprehensive income	-	(115,000)	(115,000)
New share capital subscribed	115,000	-	115,000
At 31 December 2021	115,100	(115,100)	-

*Comparatives for the year ended 31 December 2020 have been restated. Refer to note 11.

The notes on pages 15 to 22 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The following accounting policies have been applied consistently to all years 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 period ended 31 December 2021 have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 (Adopted IFRSs) but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- International Accounting Standard ("IAS") 1 Presentation of Financial Statements requirement for comparative period reconciliations for share capital;
- IAS 1 Presentation of Financial Statements disclosures in respect of capital management;
- IAS 7 Statement of Cash Flows and related notes;
- IAS 8 Accounting Policies requirement to disclose the effects of new but not yet effective International Financial Reporting Standards ("IFRS");
- IFRS 15 Revenue from Contracts with Customers; and
- IAS 24 Related Party disclosures in respect of transactions with wholly owned subsidiaries;

As the consolidated financial statements of abrdn plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company is a wholly owned subsidiary of abrdn plc, which prepares consolidated financial statements, and is therefore exempt from the requirement to prepare consolidated accounts by virtue of section 400 of the Companies Act 2006.

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

1 Accounting policies (continued)

Going concern

The Company has made a loss in the financial year and has nil net assets and negative retained earnings. The company is therefore reliant on support from aCP LLP to meet its liabilities as they fall due within the next 12 months. The Directors have received a letter of support from the Members of aCP LLP to continue to provide further financial and other support to the Company, 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 they will not do so.

On the basis of their assessment of the Company's financial position and of the enquiries made of the Members of aCP LLP, the Directors have a reasonable expectation that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Changes in accounting policies

No new standards, interpretations and amendments effective for the first time from 1 January 2021 have had an impact on the Company.

Financial assets

(i) Amortised cost

These instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These instruments are included in current assets and consist of amounts owed by abrdn Group undertakings. These instruments are initially recognised at fair value, net of any transaction costs, and subsequently at amortised cost using the effective interest rate method.

The Company has adopted trade date accounting. Accordingly, a financial asset is recognised on the date the Company commits to its purchase and derecognised on the date on which the Company commits to its sale.

Financial liabilities

(i) Amortised cost

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

Current tax

Current tax is the expected tax payable on taxable profit for the year and is calculated using tax rates and laws substantively enacted at the balance sheet date.

Investment in subsidiaries

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

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.

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements can necessitate the use of key estimates and judgements. These estimates and judgements can affect the reported amounts of assets and liabilities, contingent or otherwise, at the balance sheet date as well as affecting the reported loss for the year. Key estimates and judgements are disclosed beneath:

Critical estimates:

Investment in subsidiaries - Investments in subsidiaries are assessed for indicators of impairment each year which requires management to assess the future strategic direction of these investments. This is completed through review of both quantitative factors, such as net assets exceeding the investment carrying value and future profitability, as well as qualitative factors, such as macroeconomic conditions and relationships with key suppliers and customers. Where there are indicators of impairment the recoverable amount is determined by the fair value of the investment.

There are not considered to be any critical judgements.

3 Operating loss

Fees payable to the Company's Independent Auditors:

The statutory audit fee of £6,022 (2020: £nil) has been paid by a fellow abrdn Group undertaking.

4 Tax expense

The tax credit assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	Restated* 2020 £
Loss before tax	(115,000)	(100)
Corporation tax at standard rate	(21,850)	(19)
Expenses not deductible	21,850	19
Total tax expense/(credit)	-	-

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

4 Tax expense (continued)

The standard UK corporation tax rate for the accounting period is 19%. On 3 March 2021, the UK Government announced its intention to increase the rate of UK Corporation Tax from 19% to 25% with effect from 1 April 2023. This change was substantively enacted on 24 May 2021. This will impact the current tax in the UK going forward.

*Comparatives for the year ended 31 December 2020 have been restated. Refer to note 11.

5 Investments in subsidiaries

	2021	Restated*
	£	£
As at 1 January	2,506	2,606
Additions	115,000	-
Impairment	(115,000)	(100)
As at 31 December	2,506	2,506

On 23 August 2021 the Company made an investment of £115,000 into SL Capital Partners (US) Limited ("SLCP US"). On 3 September 2021 SLCP US entered liquidation.

An assessment is made at each reporting date as to whether there is an indication that the carrying value of the Company's investment in subsidiaries has become impaired. If any indication of impairment exists, then the recoverable amount of the investment is determined. The recoverable amounts are defined as the higher of fair value less costs to sell and the value in use where the value in use is based on the present value of future cash flows. Where the carrying value exceeds the recoverable amount then the carrying value is written down to the recoverable amount. At 31 December 2021 the Company impaired its investments by £115,000 in relation to SLCP US (2020: £100).

The particulars of the Company's subsidiary undertakings as at the statement of financial position date are in note 12.

*Comparatives for the year ended 31 December 2020 have been restated. Refer to note 11.

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

6 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
Ordinary shares issued and fully paid up of £1 (2020 - £0) each	115,000	115,000	-	-
	<u>115,100</u>	<u>115,100</u>	<u>100</u>	<u>100</u>

On 23 August 2021, 115,000 shares at £1 each were issued and fully paid up.

7 Trade and other payables

	2021	2020
	£	£
Current trade and other payables:		
Amounts owed to abrdn Group undertakings	<u>2,506</u>	<u>2,506</u>
Total current trade and other payables	<u>2,506</u>	<u>2,506</u>

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

8 Related party transactions

In the normal course of business, the Company enters into transactions with related parties in respect of investment management business.

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries. There is therefore no related party disclosure for the current year (2020: nil).

All transactions between key management and their close family members and the Company during the year are on terms which are equivalent to those available to all employees of abrdn plc.

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

9 Parent and ultimate parent undertaking

The Company's immediate parent is abrdn Capital Partners LLP and its ultimate parent is abrdn plc, both of which are incorporated in the United Kingdom and registered in Scotland.

The most senior parent entity producing publicly available financial statements is abrdn plc. Copies of the consolidated Annual Report and Accounts are available to the public from 1 George Street, Edinburgh, EH2 2LL, or to download on the website www.abrdn.com.

10 Events after the balance sheet date

To the knowledge of the Directors, there have been no material events after the reporting period.

11 Prior-year adjustments

During the year it was identified that the Company's investment in SL Capital Partners (US) Limited was fully impaired at 31 December 2020 and an impairment should have been recognised at 31 December 2020 for the full carrying value of the investment. Consequently the Company has restated comparatives to recognise impairment of the full cost of its investment in SL Capital Partners (US) Limited, at 31 December 2020 (£100).

The impact on the prior financial statements is summarised below:

	Reported at 31 December 2020 £	Prior year adjustment £	Restated at 31 December 2020 £
Profit and loss account			
Impairment of Investments	-	(100)	(100)
Balance sheet			
Investment in subsidiaries	2,606	(100)	2,506
Retained earnings	-	(100)	(100)

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

12 Supplementary information

Details of the subsidiaries as at 31 December 2021 are as follows:

Name of undertaking	Country of registration	Direct / Indirect	Percentage owned other than 100%
Ignis Cayman GP2 Limited ¹	Cayman Islands	Direct	
Ignis Cayman GP3 Limited ¹	Cayman Islands	Direct	
SLCP (General Partner ESP 2006) ²	United Kingdom	Direct	
SLCP (General Partner ESP 2008) Limited ²	United Kingdom	Direct	
SLCP (General Partner ESP 2008 Coinvestment) Limited ²	United Kingdom	Direct	
SLCP (General Partner ESP CAL) Limited ²	United Kingdom	Direct	
SLCP (General Partner NASP 2006) ²	United Kingdom	Direct	
SLCP (General Partner NASP 2008) Limited ²	United Kingdom	Direct	
SLCP (General Partner) Limited ²	United Kingdom	Direct	
SLCP (General Partner II) Limited ²	United Kingdom	Direct	
SLCP (General Partner ESP 2004) Limited ²	United Kingdom	Direct	
SLCP (General Partner CPP) Limited ²	United Kingdom	Direct	
SLCP (General Partner Edcastle) Limited ²	United Kingdom	Direct	
SLCP (General Partner Tidal Reach) Limited ²	United Kingdom	Direct	
SLCP (General Partner ESF I) Limited ²	United Kingdom	Direct	
SLCP (General Partner ESF II) Limited ²	United Kingdom	Direct	
SLCP (General Partner NASF I) Limited ²	United Kingdom	Direct	
SLCP (General Partner USA) Limited ²	United Kingdom	Direct	
SLCP (General Partner SOF I) Limited ²	United Kingdom	Direct	
SLCP (General Partner SOF II) Limited ²	United Kingdom	Direct	
SLCP (General Partner SOF III) Limited ²	United Kingdom	Direct	
SLCP (General Partner Pearl Private Equity) Limited ²	United Kingdom	Direct	

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

12 Supplementary information (continued)

Name of undertaking	Country of registration	Direct / Indirect	Percentage owned other than 100%
SLCP (General Partner Pearl Strategic Credit) Limited ²	United Kingdom	Direct	
SLCP (General Partner Europe VI) Limited ²	United Kingdom	Direct	
SLCP (General Partner EC) Limited ²	United Kingdom	Direct	
SLCP (General Partner Infrastructure I) Limited ²	United Kingdom	Direct	
SLCP (General Partner Infrastructure Secondary I) Limited ²	United Kingdom	Direct	
SLCP (Founder Partner Ignis Private Equity) Limited ²	United Kingdom	Direct	
SLCP (Founder Partner Ignis Strategic Credit) Limited ²	United Kingdom	Direct	
SLCP (General Partner 2016 Co-Investment) Limited ²	United Kingdom	Direct	
SL Capital Partners (US) Limited ²	United Kingdom	Direct	

Registered Office

¹ C/O Maples Corporate Services Limited, PO Box 309, Ugland House, KY1-1104, Cayman Islands

² 1 George Street, Edinburgh, EH2 2LL, Scotland

The underlying limited partnerships meet the definition of subsidiaries under the Companies Act but have not been disclosed in the table above.