

# Aberdeen Alternatives (Holdings) Limited

## Annual Report and Financial Statements

Registered number SC336918

For the year ended 31 December 2018

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## **Contents**

Strategic Report	2
Directors' Report	3
Auditors' Report to the members of Aberdeen Alternatives (Holdings) Limited	5
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

## Strategic Report

The Directors present their Strategic Report on Aberdeen Alternatives (Holdings) Limited ("the Company") for the year ended 31 December 2018, in accordance with section 414A of the Companies Act 2006.

### Business review and future developments

The Company's principal activity is that of an investment holding company with no expected change in the future.

The Company has received and paid dividends during the year and has made investments in subsidiaries (see note 3).

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, the Company's primary income source, 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.

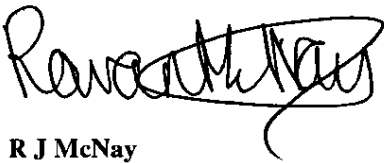
### Key performance indicators

The Directors are of the opinion that analysis using KPIs is not necessary because the Company operates solely as an investment holding company.

### Principal risks and uncertainties

The Standard Life Aberdeen Group ("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.

By order of the Board of Directors



**R J McNay**  
Director  
18 July 2019

## **Directors' Report**

The Directors present their Annual Report and Audited Financial Statements for the year ended 31 December 2018.

### **Dividends**

An interim dividend of £8.9m (2017: £nil) was paid to the Company's parent undertaking, Aberdeen Investments Limited ("AIL"). The Directors do not propose a final dividend for the year to 31 December 2018 (2017: £nil).

### **Directors**

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

G D Cohen

R J McNay (appointed 2 May 2019)

I Harris (appointed 10 May 2019)

A McCaffrey (resigned 15 April 2019)

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 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 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 ("FRS101").

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 and loss of the Company for that year.

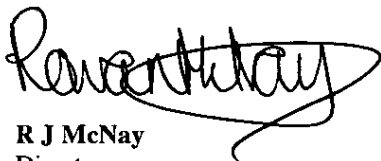
In preparing these financial statements, the Directors are required to:

- 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.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board



**R J McNay**  
Director  
18 July 2019

# **Independent Auditor's Report to the Members of Aberdeen Alternatives (Holdings) Limited**

## **Opinion**

We have audited the financial statements of Aberdeen Alternatives (Holdings) Limited ("the company") for the year ended 31 December 2018 which comprise the profit and loss account, 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.

## **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.

## **Independent Auditor's Report to the Members of Aberdeen Alternatives (Holdings) Limited (*continued*)**

### **Strategic report and directors' report (*continued*)**

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 period 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.

### **Directors' responsibilities**

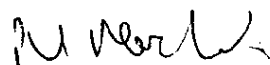
As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements 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](http://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

18 July 2019

## Profit & loss account

For the year ended 31 December 2018

	Note	12 months to 31 Dec 2018 £	15 months to 31 Dec 2017 £
Dividends received		9,000,000	-
<b>Profit on ordinary activities before taxation</b>		<b>9,000,000</b>	<b>-</b>
Tax on ordinary activities		-	-
<b>Profit for the financial year/period</b>		<b>9,000,000</b>	<b>-</b>

There are no recognised gains or losses other than the profit for the current financial year and accordingly, no statement of comprehensive income has been presented.

The statutory audit fee of £5,836 has been paid by a fellow group undertaking.

The notes on pages 10 to 12 form part of these financial statements.



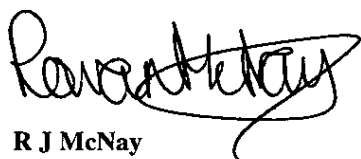
## Balance sheet

At 31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	3	88,221	43,918
<b>Current assets</b>			
Cash at bank and in hand		105,023	10,069
		<u>105,023</u>	<u>10,069</u>
<b>Creditors: amounts falling due within one year</b>	4	<u>80,544</u>	<u>41,287</u>
<b>Net current assets / (liabilities)</b>		<u>24,479</u>	<u>(31,218)</u>
<b>Net assets</b>		<u>112,700</u>	<u>12,700</u>
<b>Capital and reserves</b>			
Called up share capital	5	12,700	12,700
Profit and loss account		<u>100,000</u>	<u>-</u>
<b>Shareholders' funds</b>		<u>112,700</u>	<u>12,700</u>

The notes on pages 10 to 12 form part of these financial statements.

These financial statements were approved by the Board of Directors on 18 July 2019 and were signed on its behalf by:



**R J McNay**  
 Director

## Statement of changes in equity

At 31 December 2018

	Share capital	Profit and loss account	Total
	£'000	£'000	£'000
<b>Balance at 1 October 2016 / 31 December 2017</b>	<u>12,700</u>	<u>-</u>	<u>12,700</u>
Profit for the year	-	9,000,000	9,000,000
Dividends	-	(8,900,000)	(8,900,000)
<b>Balance at 31 December 2018</b>	<u><b>12,700</b></u>	<u><b>100,000</b></u>	<u><b>112,700</b></u>

The notes on pages 10 to 12 form part of these financial statements.

## Notes to the financial statements

### 1. General Information

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

10 Queens Terrace  
Aberdeen  
AB10 1XL

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

These financial statements were authorised for issue by the Board of Directors on 18 July 2019.

### 2. Accounting policies

#### *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 include 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 400 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 Strategic Report.

The Company has made profits in the financial year, has sufficient financial resources and a strong cash position. The Board believes that the Company holds adequate resources to continue in business for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

#### *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.

#### *Investments in subsidiaries*

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

#### *Dividend income*

Dividend income is recognised when the right to receive payment is established.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### *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.

#### *Critical accounting estimates*

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

### 3. Investments

	2018 £
At 1 January	43,918
Additions	44,303
Disposals	-
At 31 December	<u>88,221</u>

The Company made investments in Aberdeen GP 3 LLP, ASI Shin Global Investment GP Limited, Aberdeen European Infrastructure GP III Limited and Aberdeen Pooling II GP AB during the year.

Direct and indirect holdings of the Company are detailed in note 8.

### 4. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to Group undertakings	<u>80,544</u>	41,287
	<u>80,544</u>	<u>41,287</u>

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

### 5. Share capital

	2018 £	2017 £
Authorised, called up and fully paid shares		
12,700 ordinary shares of £1 each	<u>12,700</u>	<u>12,700</u>

### 6. 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.

## Notes to the financial statements (continued)

### 7. Ultimate parent company

The Company's immediate parent company is AIL 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.

### 8. Investment holdings

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

Name of subsidiary undertaking	Country of registration	Direct/indirect	Percentage ownership
Aberdeen Infrastructure GP II Limited <sup>1</sup>	United Kingdom	Direct	
Aberdeen European Infrastructure Carry GP Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen European Infrastructure GP Limited <sup>1</sup>	United Kingdom	Direct	
Aberdeen European Infrastructure GP II Limited <sup>1</sup>	United Kingdom	Direct	
Aberdeen European Infrastructure GP III Limited <sup>1</sup>	United Kingdom	Direct	
Aberdeen UK Infrastructure GP Limited <sup>1</sup>	United Kingdom	Direct	
Aberdeen UK Infrastructure Carry GP Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen Global Infrastructure GP Limited <sup>3</sup>	Guernsey	Direct	
Aberdeen Global Infrastructure GP II Limited <sup>3</sup>	Guernsey	Direct	
Aberdeen Asia IV (General Partner) SARL <sup>4</sup>	Luxembourg	Direct	
Aberdeen Secondaries II GP SARL <sup>5</sup>	Luxembourg	Direct	
Aberdeen Global Infrastructure Carry GP Limited <sup>2</sup>	United Kingdom	Direct	
Andean Social Infrastructure GP Limited <sup>6</sup>	Cayman	Direct	
Aberdeen Infrastructure Feeder GP Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen European Infrastructure Carry Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen UK Infrastructure Carry Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen General Partner 1 Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen General Partner 2 Limited <sup>2</sup>	United Kingdom	Direct	
Aberdeen GP 1 LLP <sup>2</sup>	United Kingdom	Direct	
Aberdeen GP 2 LLP <sup>2</sup>	United Kingdom	Direct	
Aberdeen GP 3 LLP <sup>2</sup>	United Kingdom	Direct	
Aberdeen Global ex-Japan GP Limited <sup>6</sup>	Cayman	Direct	
Aberdeen ACP LLP (General Partner) <sup>2</sup>	United Kingdom	Direct	50%
ASI Shin Global Investment GP Limited <sup>6</sup>	Cayman	Direct	
Aberdeen Pooling II (General Partner) AB <sup>7</sup>	Sweden	Direct	

#### Registered office

<sup>1</sup> Bow Bells House, 1 Bread Street, London, EC4M 9HH, United Kingdom

<sup>2</sup> 10 Queen's Terrace, Aberdeen, AB10 1YG, United Kingdom

<sup>3</sup> State Street (Guernsey) Limited, First Floor Dorey Court, Admiral Park, St. Peter Port, Guernsey, GY1 6HJ

<sup>4</sup> 2-8 Avenue Charles De Gaulle, L-1653 Luxembourg

<sup>5</sup> 35a Avenue John F. Kennedy, L-1855 Luxembourg

<sup>6</sup> PO Box 309GT, Ugland House, South Church Street, George Town, KY1-1104, Cayman Islands

<sup>7</sup> Box 3039, SE-103 63, Stockholm, Sweden