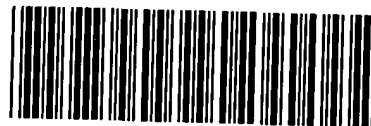


**DUNEDIN LLP**

**Report and Financial Statements  
For the year to 31 March 2023**

**Registered in Scotland – LLP Number SO30226**

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# Dunedin LLP

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## MEMBERS' REPORT

The Members have pleasure in submitting their report and financial statements for the year to 31 March 2023.

## REVIEW OF THE BUSINESS

The principal activity of Dunedin LLP ("The LLP") is the provision of private equity investment management services. Dunedin is regulated by the Financial Conduct Authority. During the year to 31 March 2023 the Group continued to provide investment management services to private equity funds. The Group includes Dunedin, its direct subsidiary Dunedin Salfire Limited and four further active subsidiaries which act as General Partners to the funds.

## RESULTS FOR THE YEAR

The Group operating profit before tax and members' profit shares in the year to 31 March 2023 amounted to £1,582,000 (2021 - £1,849,000).

## PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Dunedin meets at least half yearly and evaluates the principal risks facing the Group. The principal risks and uncertainties facing the Group are:-

### 1) Market and Economic Conditions

Dunedin's revenue is derived from the management of limited partnerships which invest in unquoted companies. Adverse market or economic conditions can affect the continued operation of unquoted companies. The majority of Dunedin's costs are fixed so any reduction in the number of unquoted companies held within the limited partnerships managed by Dunedin would reduce Dunedin's profitability.

### 2) Confidence in the Private Equity Sector and specifically Dunedin

Events in the private equity sector outside the control of Dunedin may impact earnings and profitability, due to the potential to impact on the continued operation of portfolio companies and their access to financing. Such events could include:

- collapse of a high profile private equity sponsored business;
- adverse media coverage;
- actions by regulators within the industry; and
- a fall in the relative returns generated by the private equity sector.

### 3) Key Personnel

Dunedin's primary resource is its staff and there is a risk that key members of staff depart the business.

### 4) Regulation and Legislation

There are a number of aspects to the way in which legislation and regulation impacts Dunedin:

- taxation policy;
- specific regulation of the private equity industry;
- prudential capital requirements; and
- conduct of business.

There is an increasing international dimension to, and volume of, regulatory and legislative change. Dunedin's activities and strategies are based upon prevailing legislation and regulation. Significant changes in legislation, and differing interpretation and application of regulation over time could adversely impact client funds under management.

## DESIGNATED MEMBERS

The designated members of the LLP during the year to 31 March 2023 were as follows: -

Dougal Bennett (resigned 2 February 2023)  
Mark Ligertwood (appointed 2 February 2023)  
Shaun Middleton  
Graeme Murray

# Dunedin LLP

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## **MEMBERS' DRAWINGS AND CAPITAL**

Drawings are made on a monthly basis and from time to time as working capital permits and such drawings are based on the members profit share.

Members' capital is subscribed in accordance with the current Members' Agreement and there is no entitlement to have capital repaid.

## **MEMBERS AND OFFICERS INSURANCE**

Members benefited from qualifying third-party members and officers liability insurance in place during the financial period and at the date of this report.

## **DISCLOSURE OF INFORMATION TO AUDITOR**

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

## **AUDITOR**

Johnston Carmichael LLP have expressed their willingness to continue in office and the manager has consented to their re-appointment.

## **GOING CONCERN**

In assessing whether Dunedin is a going concern, the Board has reviewed cash flow forecasts for Dunedin based upon a variety of scenarios for the foreseeable future. In addition, the Board has considered the current cash position and the overall financial position of Dunedin.

Given the above, the Members have reasonable expectation that Dunedin 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.

By order of the Members



Graeme Murray  
Designated Member  
31 May 2023

# Dunedin LLP

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## **STATEMENT OF MEMBERS' RESPONSIBILITIES IN RESPECT OF THE MEMBERS' REPORT AND THE FINANCIAL STATEMENTS**

The members are responsible for preparing the Members' Report and the group and LLP financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare group and LLP financial statements for each financial year. Under that law the members have elected to prepare both the group and LLP 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 Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members 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 group and the LLP and of the profit or loss of the group for that period. In preparing each of the group and LLP financial statements, the members are required to: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the group and the LLP'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 group or the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and LLP's transactions and disclose with reasonable accuracy at any time the financial position of the group and LLP and enable them to ensure that its financial statements comply with those regulations. 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 group and to prevent and detect fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUNEDIN LLP

### Opinion

We have audited the financial statements of Dunedin LLP ("the limited liability partnership") and its subsidiaries ("the group") for the year ended 31 March 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and LLP Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Reconciliation of Members' Interests, the LLP Reconciliation of Members' Interests and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and limited liability partnership's affairs at 31 March 2023 and of the group profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 members' 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 group and limited liability partnership'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 members with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the Members' Report. The members are responsible for the other information. 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.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships requires us 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
- We have not received all the information and explanations we require for our audit.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUNEDIN LLP (CONTINUED)

### **Responsibilities of members**

As explained more fully in the members' responsibilities statement set out on page 4, the members 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 members 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 members are responsible for assessing the group's and limited liability partnership'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 members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

### **Auditor 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### *Extent 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 assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- FRS 102;
- Statement of Recommended Practice Accounting by Limited Liability Partnerships;
- Companies Act 2006, as applicable to Limited Liability Partnerships;
- VAT legislation; and
- Financial Services legislation.

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to:

- Management override of controls; and
- Revenue recognition.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUNEDIN LLP (CONTINUED)

*Extent the audit was considered capable of detecting irregularities, including fraud (continued)*

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the limited liability partnership's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

### Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

*DS Holmes*

David Holmes (Senior Statutory Auditor)  
for and on behalf of Johnston Carmichael LLP  
Statutory Auditor  
Edinburgh, United Kingdom  
31 May 2023

# Dunedin LLP

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year to 31 March 2023

	Note	2023 £000	2022 £000
Turnover		2,018	3,153
Administrative expenses		(436)	(1,304)
<b>Operating Profit</b>	<b>2</b>	<b>1,582</b>	<b>1,849</b>
Interest receivable		-	-
<b>Profit on ordinary activities before taxation</b>		<b>1,582</b>	<b>1,849</b>
Taxation	<b>5</b>	-	-
<b>Profit for the period before members' remuneration and profit shares</b>		<b>1,582</b>	<b>1,849</b>
Members' remuneration charged as an expense		(1,233)	(1,830)
<b>Profit for the period available for discretionary division among members</b>		<b>349</b>	<b>19</b>

All gains and losses arising during the period have been recognised in the profit and loss account and derive from continuing operations of the group.

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.



# Dunedin LLP

## CONSOLIDATED AND LLP STATEMENT OF FINANCIAL POSITION

at 31 March 2023

	Notes	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
<b>FIXED ASSETS</b>					
Tangible assets	6	-	5	-	5
Investments	7	-	-	-	-
		-	5	-	5
<b>CURRENT ASSETS</b>					
Debtors	8	97	325	96	319
Cash at bank		2,705	2,383	2,699	2,380
<b>CREDITORS:</b>					
Amounts falling due within one year	9	(182)	(264)	(177)	(257)
<b>NET CURRENT ASSETS</b>		2,620	2,444	2,618	2,442
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		2,620	2,449	2,618	2,447
<b>REPRESENTED BY:</b>					
<b>Loans and other debts due to members</b>					
Other amounts due within one year	10	375	538	375	538
<b>Members' other interests</b>					
Members' capital – classified as equity		1,545	1,211	2,243	1,909
Members' other interests – other reserves classified as equity		700	700	-	-
		2,620	2,449	2,618	2,447
<b>Total members' interests</b>					
Amounts due from members		-	-	-	-
Loans and other debts due to members		375	538	375	538
Members' other interests		2,245	1,911	2,243	1,909
		2,620	2,449	2,618	2,447

### Profit for the financial year

As permitted by section 408 Companies Act 2006 the parent entity's profit and loss account has not been included in these financial statements. The parent entity's profit for the financial year before members' remuneration charged as an expense was £1,582k (2022 : £1,849k)

# Dunedin LLP

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The financial statements were approved and authorised for issue by the Members on 31 May 2023 and signed on its behalf by:



**Graeme Murray**

**Designated Member**

LLP Registration No. SO302262

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year to 31 March 2023

	Note	2023 £000	2022 £000
<b>Cash flows from operating activities</b>			
Operating profit		1,582	1,849
Adjustments for:			
Depreciation of tangible fixed assets	6	5	19
Decrease in trade and other debtors		228	190
(Decrease)/increase in trade creditors		(82)	(722)
<b>Net cash inflow from operating activities</b>		<b>1,733</b>	<b>1,336</b>
<b>Cash flows from investing activities:</b>			
Purchases of tangible fixed assets	6	-	(8)
<b>Net cash (outflow) from investing activities</b>		<b>-</b>	<b>(8)</b>
<b>Cash flows from financing activities</b>			
Drawings		(1,411)	(1,456)
<b>Net cash outflows from financing activities</b>		<b>(1,411)</b>	<b>(1,456)</b>
<b>Net increase/(decrease) in cash in the year</b>		<b>322</b>	<b>(128)</b>
<b>Cash at the beginning of the year</b>		<b>2,383</b>	<b>2,511</b>
<b>Cash at the end of the year</b>		<b>2,705</b>	<b>2,383</b>

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

## CONSOLIDATED RECONCILIATION OF MEMBERS' INTERESTS as at 31 March 2023

	EQUITY Members' Other Interests			DEBT Loans and other debts due to members			TOTAL MEMBERS' INTERESTS
							£000
	Member's Capital (Classified as equity) £000	Other Reserves £000	Total £000	Members' Capital (Classified as debt) £000	Other Amounts £000	Total £000	
Balance at 1 April 2022	1,192	719	1,911	-	538	538	2,449
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-	-	1,233	1,233	1,233
Profit for the financial year available for discretionary division among members	-	349	349	-	-	-	349
Members' interests after profit for the year	1,192	1,068	2,260	-	1,771	1,771	4,031
Repayments of capital	-	-	-	-	-	-	-
Drawings	-	-	-	-	(1,396)	(1,396)	(1,396)
Other movements	-	(15)	(15)	-	-	-	(15)
Balance at 31 March 2023	1,192	1,053	2,245	-	375	375	2,620
Amounts due to members					375		

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

## CONSOLIDATED RECONCILIATION OF MEMBERS' INTERESTS as at 31 March 2022

	EQUITY Members' Other Interests			DEBT Loans and other debts due to members			TOTAL MEMBERS' INTERESTS
							£000
	Member's Capital (Classified as equity) £000	Other Reserves £000	Total £000	Members' Capital (Classified as debt) £000	Other Amounts £000	Total £000	
Balance at 1 April 2021	1,192	700	1,892	-	164	164	2,056
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-	-	1,830	1,830	1,830
Profit for the financial year available for discretionary division among members	-	19	19	-	-	-	19
Members' interests after profit for the year	1,192	719	1,911	-	1,994	1,994	3,905
Repayments of capital	-	-	-	-	-	-	-
Drawings	-	-	-	-	(1,456)	(1,456)	(1,456)
Other movements	-	-	-	-	-	-	-
Balance at 31 March 2022	1,192	719	1,911	-	538	538	2,449
Amounts due to members					538		

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

## LLP RECONCILIATION OF MEMBERS' INTERESTS as at 31 March 2023

	EQUITY Members' Other Interests			DEBT Loans and other debts due to members			TOTAL MEMBERS' INTERESTS
							£000
	Member's Capital (Classified as equity) £000	Other Reserves £000	Total £000	Members' Capital (Classified as debt) £000	Other Amounts £000	Total £000	
Balance at 1 April 2022	1,892	17	1,909	-	538	538	2,447
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-	-	1,233	1,233	1,233
Profit for the financial year available for discretionary division among members	-	349	349	-	-	-	349
Members' interests after profit for the year	1,892	366	2,258	-	1,771	1,771	4,029
Other divisions of profits	-	(15)	(15)	-	-	-	(15)
Repayments of capital	-	-	-	-	-	-	-
Drawings	-	-	-	-	(1,396)	(1,396)	(1,396)
Balance at 31 March 2023	1,892	351	2,243	-	375	375	2,618
Amounts due to members					375		

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

## LLP RECONCILIATION OF MEMBERS' INTERESTS as at 31 March 2022

	EQUITY Members' Other Interests			DEBT Loans and other debts due to members			TOTAL MEMBERS' INTERESTS
	Member's Capital (Classified as equity) £000	Other Reserves £000	Total £000	Members' Capital (Classified as debt) £000	Other Amounts £000	Total £000	£000
Balance at 1 April 2021	1,892	-	1,892	-	164	164	2,056
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-	-	1,830	1,830	1,830
Profit for the financial year available for discretionary division among members	-	17	17	-	-	-	17
Members' interests after profit for the year	1,892	17	1,909	-	1,994	1,994	3,903
Other divisions of profits	-	-	-	-	-	-	-
Repayments of capital	-	-	-	-	-	-	-
Drawings	-	-	-	-	(1,456)	(1,456)	(1,456)
Balance at 31 March 2022	1,892	17	1,909	-	538	538	2,447
Amounts due to members					538		

The notes on pages 16 to 23 together with the accounting policies on page 16 to 18 form part of these accounts.

# Dunedin LLP

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## NOTES TO THE ACCOUNTS at 31 March 2023

### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements.

#### ***Basis of Preparation***

These financial statements have been prepared on a going concern basis under historical cost convention, 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. These financial statements have also been prepared in accordance with Statement of Recommended Practice (SORP) for the Limited Liability Partnerships issued by the Consultative Committee of Accountancy Bodies in December 2021.

Group undertakings manage a number of private equity limited partnerships as the General Partner. These partnerships are subsidiary undertakings and under the terms of the Companies Act 2006 should be consolidated in full. However, the Directors of the General Partners consider the accounts would not give a true and fair view if the assets and income as a whole were to be consolidated since the group undertaking's interest in these assets is merely that of an investment manager.

The General Partners do not have a capital contribution in any of the partnerships and therefore there are no financial interests requiring consolidation in the financial statements of the General Partners nor the LLP.

The Members do not believe there to be any other judgements or estimates in the application of these accounting policies that have significant effect on the financial statements or significant risk of material adjustment in the next year.

#### ***Going concern***

The Board has reviewed cash flow forecasts for Dunedin based upon a variety of scenarios for the foreseeable future. In addition, the Board has considered the current cash position and the overall financial position of Dunedin. The Members have reasonable expectation that Dunedin 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.

#### ***Turnover***

Turnover represents the amounts derived from the provision of services that fall within the group and the LLP's ordinary activities, stated net of value added tax. Fees are credited to Income when they are earned and the fee has been agreed. None of the turnover was derived from overseas.

#### ***Taxation***

No tax is recorded in the financial statements of the stand-alone LLP as all tax liabilities are liabilities of the members, not the limited liability partnership.

UK corporation tax on the profits of the corporate members of the consolidated group is provided at amounts expected to be paid using the tax rates relevant at the accounting date.

Deferred taxation is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income, and expenditure in taxation computations in periods different from those in which they are included in the financial statements and include timing differences arising from the recognition of profit share from limited partnership funds accounted for in advance of receipt. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on un-remitted earnings of subsidiaries, associates and joint ventures where there is no commitment to remit these earnings.



# Dunedin LLP

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## NOTES TO THE ACCOUNTS

at 31 March 2023

### **Fixed assets and Depreciation**

Fixed assets are initially recognised at cost and subsequently measured at cost less accumulated depreciation. The cost of tangible fixed assets is depreciated by equal instalments over their expected useful lives as follows: -

Leasehold improvements	-	over 5 or 10 years
Fixtures and fittings	-	over 5 years
Computer equipment	-	over 2 years
Computer software	-	over 4 years

### **Investments**

In the LLP financial statements, investments in subsidiaries are carried at cost less impairment in accordance with FRS102.

### **Operating Lease**

Payments (excluding costs for services and insurance) made under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease unless the payments by the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

### **Equity**

Members capital classified as equity represents member's capital subscribed in relation to which there is no entitlement to repayment. Other reserves classified as equity represent the undistributed reserves of subsidiary undertakings.

### **Loans and other debts due to Members**

Loans and other debts due to members would rank alongside unsecured creditors in the event of a winding up.

### **Members other interests**

No Member will be entitled, while he remains a Member, to withdraw any of the capital contributed, or deemed contributed, by him to the LLP, other than as decided by the Members as a Special Reserve Matter.

### **Members remuneration**

Members' remuneration represents any outflow of benefits to a member of the LLP and comprises salary, bonus and allocation of profits. The treatment of members' remuneration is determined with reference to the nature of the participation rights that give rise to that remuneration. Where rights give the members an unconditional right to the division of profits or to other forms of remuneration, then they give rise to a liability for that remuneration and accordingly the remuneration is charged as an expense.

Members remuneration charged as an expense comprises members fixed profit share, profit in lieu of pension and bonus. Other discretionary divisions of profit are classed as equity.

### **Pensions**

The LLP operates a defined contribution pension scheme. Contributions to the scheme are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

### **Basis of consolidation**

The Group financial statements consolidate the results of the LLP and all its subsidiary undertakings for the year ended 31 March 2023. Under section 408 of the Companies Act 2006 the LLP is exempt from the requirements to present its own profit and loss account.

### **Basic financial instruments**

#### **Trade and other debtors**

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

# Dunedin LLP

## NOTES TO THE ACCOUNTS at 31 March 2023

### *Trade and other creditors*

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

## 2. OPERATING PROFIT

	2023 £000	2022 £000
Operating profit is stated after charging:		
Depreciation	5	19
Operating lease rentals – premises	50	200
Auditors' remuneration -		
Audit of the parent entity financial statements	9	7
Audit of the LLP's subsidiaries and associated entities	9	10
Audit related assurance services	9	8
Other assurance services provided to the LLP	-	-

## 3. MEMBER NUMBERS AND COSTS

The average number of Members in the year, was as follows:

	Group and LLP Number of Members	
	2023	2022
Members	8	8

The remuneration of Members in the year was:

	Group and LLP	
	2023 £000	2022 £000
Members' emoluments	1,263	1,741

The emoluments of the highest paid Member for the year were £346,000 (2022: £287,000).

Members are allocated profits earned in the year on a pro-rated basis to their fixed profit share. Where profits earned in the year are insufficient to satisfy the fixed profit share then the balance of fixed profit share is paid to members net of an equivalent amount of income tax from profit retained in previous years.

# Dunedin LLP

## NOTES TO THE ACCOUNTS at 31 March 2023

### 4. STAFF NUMBERS AND COSTS

The average number of persons employed by the group (excluding Members) during the year was 1 (2022: 2).

The aggregate payroll costs of these persons were as follows:

	Group and LLP	
	2023 £000	2022 £000
Wages and salaries	73	295
Social security costs on wages and salaries	5	19
Other pension costs (see note 12)	11	37
	<u>89</u>	<u>351</u>

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

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

#### Group

	2023 £000	2022 £000
Current tax	-	-
Group Relief – prior year	-	-
Total current tax credit for the year	<u>-</u>	<u>-</u>

	2023 £000	2022 £000
Deferred tax	-	-
Origination and reversal of timing differences	-	-
Total tax	<u>-</u>	<u>-</u>

(b) Reconciliation of effective tax rate:

	2023 £000	2022 £000
Profit on ordinary activities before tax	<u>1,582</u>	<u>1,849</u>
Corporation tax at standard rate of 19.0% (2022: 19.0%)	301	351
Effects of:		
Non taxable income and disallowed expenses	(269)	(467)
Utilisation of unrecognised tax losses	(73)	-
Excess management expenses not recognised	-	247
Taxable income from partnerships	342	220
Members remuneration	(301)	(351)
Total tax charge	<u>-</u>	<u>-</u>

# Dunedin LLP

## NOTES TO THE ACCOUNTS at 31 March 2023

### 6. TANGIBLE FIXED ASSETS

#### Group and LLP

	<i>Leasehold improvements</i>	<i>Fixtures and fittings</i>	<i>Computer equipment</i>	<i>Computer software</i>	<i>Total</i>
	£000	£000	£000	£000	£000
Cost or valuation:					
At 1 April 2022	-	-	54	-	54
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	-	-	54	-	54
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:					
At 1 April 2022	-	-	49	-	49
Provided during the year	-	-	5	-	5
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	-	-	54	-	54
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at:					
31 March 2023	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2022	-	-	5	-	5
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# Dunedin LLP

## NOTES TO THE ACCOUNTS

at 31 March 2023

### 7. INVESTMENTS

Dunedin LLP has the following subsidiaries at 31 March 2023. Dunedin Saltire Limited is directly held by Dunedin LLP and all other subsidiaries are indirectly held by Dunedin Saltire Limited.

		Aggregate of capital and reserves	Profit or loss for the year	Country of incorporation
		£	£	
Dunedin Saltire Limited	100%	698,000	-	Scotland
Dunedin Capital Partners (GP) Limited *	100%	193	-	Scotland
Dunedin Capital Partners (GP II) Limited	100%	(1,147)	-	Scotland
Dunedin (GP III) Limited	100%	(1,499)	-	Scotland
Dunedin (SAPE GP) Nominees Limited*	100%	100	-	England
Dunedin (SAPE Staff) Nominees Limited*	100%	100	-	England
Dunedin (SAPE Scotland GP) Limited *	100%	100	-	Scotland
Dunedin (Funds GP) Limited *	100%	1	-	Scotland
DCG Nominees Limited *	100%	1	-	England
Dunedin (General Partner III) LLP	100%	6,317	(1,372)	Scotland
Dunedin (FP III) Limited*	100%	1	-	Scotland

\* Dormant entities

All subsidiaries were written down to nil in prior years and there were no additions in the year to 31 March 2023. Dunedin (SAPE GP) Limited was dissolved during the year.

As outlined in note 1, group undertakings manage a number of private equity limited partnerships as the General Partner. The following limited partnerships are subsidiary undertakings but are not consolidated in these financial statements for the reasons outlined in note 1. All details below are for the year ended and as at 31 December 2022.

Interest		Capital & Reserves £000	Profit or loss £000	Country of incorporation
Dunedin Buyout Fund II LP	n/a	46,201	27,640	Scotland
Dunedin Buyout Fund III LP	n/a	80,990	10,832	Scotland
Dunedin Buyout Co-Investment I LP	n/a	4,458	804	Scotland

The registered office of Dunedin LLP is Easter Dalry House, 3 Distillery Lane, Edinburgh, EH11 2BD. The registered office address for each subsidiary registered in Scotland is Easter Dalry House, 3 Distillery Lane, Edinburgh, EH11 2BD. The registered office address for each subsidiary registered in England is c/o Dickson Minto W.S., Level 13 Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

# Dunedin LLP

## NOTES TO THE ACCOUNTS at 31 March 2023

### 8. DEBTORS

	Group 2023 £000	LLP 2023 £000	Group 2022 £000	LLP 2022 £000
Trade debtors	84	83	136	130
Prepayments and accrued income	13	13	103	103
Deferred payment	-	-	86	86
	<u>97</u>	<u>96</u>	<u>325</u>	<u>319</u>

### 9. CREDITORS: amounts falling due within one year

	Group 2023 £000	LLP 2023 £000	Group 2022 £000	LLP 2022 £000
Accruals and deferred income	162	157	258	251
Other taxes and social security costs	8	8	2	2
Other creditors	12	12	4	4
	<u>182</u>	<u>177</u>	<u>264</u>	<u>257</u>

### 10. LOANS AND OTHER DEBTS DUE TO MEMBERS

	Group 2023 £000	LLP 2023 £000	Group 2022 £000	LLP 2022 £000
Money owed to Members by the LLP in respect of profits	<u>375</u>	<u>375</u>	<u>538</u>	<u>538</u>

### 11. OPERATING LEASE COMMITMENTS

Non-cancellable operating lease rentals for premises are payable as follows:

	2023 £000	2022 £000
Less than one year	13	50
Between one and five years	<u>2</u>	<u>11</u>
	<u>15</u>	<u>61</u>

### 12. PENSION COMMITMENTS

The LLP makes payments to defined contribution personal pension schemes for its employees. The assets of these schemes are held separately from those of the LLP in independently administered funds. There were no accrued contributions outstanding at the period end.

# Dunedin LLP

## NOTES TO THE ACCOUNTS at 31 March 2023

### 13. RELATED PARTY TRANSACTIONS

The LLP wholly owns its subsidiary Dunedin Saltire Limited which in turn wholly owns the majority of its subsidiaries (as disclosed in note 7). The LLP has taken advantage of the exemption under FRS 102 from disclosing transactions with other group companies which are wholly owned subsidiaries.

As disclosed in note 1, Group undertakings manage a number of private equity limited partnerships as the General Partner. These partnerships are subsidiary undertakings but are not consolidated in these financial statements for the reasons set out in that note. The partnerships disclosed in note 7 are considered related parties of the Group. The only transactions with these partnerships in the year relate to the receipt of management fees totalling £1,634,572 (2022: £2,669,789) disclosed within Turnover. As at 31 March 2023, £nil was due from related parties in respect of management fees (2022: £nil). Dunedin Capital Partners Limited is a corporate member of the LLP. The Directors of Dunedin Capital Partners Limited are also members of the LLP and thus are deemed to be related parties due to being under common control. There were no amounts outstanding at year end.

The partnerships disclosed in note 7 invest in a number of unlisted portfolio companies. In some instances, the partnerships own more than 20% of the underlying portfolio company and are deemed to have significant influence to the extent that these portfolio companies as listed below are deemed to be related parties.

The only transactions between the LLP and these portfolio companies relate to the receipt of Directors' and Monitoring fees for services provided by the LLP. In line with the agreements in place, a portion of these fees is shared with the underlying partnerships. The amount of Directors' and Monitoring fees retained by the LLP included within turnover for the year to 31 March 2023 is disclosed below. No amounts were outstanding at the year end.

<u>Related Party</u>	<u>Directors' and Monitoring Fees</u>
	£
EV Holdings Limited	Nil
Global Processing Services Group Limited	Nil
Red Topco Limited	13,031
Patriot New Topco Limited	Nil
Premier Hytemp Topco Limited	29,010
Weldex (International) Offshore Holdings Limited	29,280

### Transactions with Key Management Personnel

Key Management Personnel of the LLP are deemed to be those persons having authority and responsibility for planning, directing and controlling the activities of the LLP, directly or indirectly. Total compensation of Key Management Personnel (being the members) in the year amounted to £1,263,000 (2022: £1,785,000).

### 14. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £000	Cashflows £000	Other non- cash movements £000	At 31 March 2023 £000
Cash and cash equivalents	2,383	322	-	2,705
Net debt (before members' debt)	2,383	322	-	2,705
Loans and other debts due to members:				
Other amounts due to members	(538)	1,396	(1,233)	(375)
Net debt	1,845	1,718	(1,233)	2,330