Standard Life Private Equity Trust plc

Providing access to a diversified portfolio of private equity investments

Annual Report & Financial Statements
For the year ended 30 September 2019

Contents

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, (as amended by the Financial Services Act 2012) if you are in the United Kingdom or if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in Standard Life Private Equity Trust plc, please forward this document, together with the accompanying documents, immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. Investors should review the Company's Key Information Document (KID) prior to making an investment decision. This can be obtained free of charge from www.slpet.co.uk or by writing to SL Capital Partners LLP, 1 George Street, Edinburgh, Scotland, United Kingdom, EH2 2LL.

Highlights

Investment objective

The Company's investment objective is to achieve long-term total returns through holding a diversified portfolio of private equity funds and direct investments into private companies alongside private equity managers ("co-investments"), a majority of which will have a European focus.

Our strategy

Standard Life Private Equity Trust plc (the "Company" or "SLPET") provides investors with exposure to a diversified portfolio of leading private companies, primarily through investments into private equity funds. We achieve this by partnering with the best private equity managers to build an appropriately diversified portfolio by country, industry sector, maturity and number of underlying investments.

Headlines for the year ended 30 September 2019

Net Asset Value per ordinary share ("NAV")
461.9p
(2018: 430.2p)

Net Assets
£710.1m
(2018:£661.4m)

Share price
352.0p
(2018: 345.5p)

Market cap
£541.2m
(2018: £531.2m)

NAV total return[1]
10.5%
(2018: 13.3%)

Total shareholder return[1]
5.7%
(2018: 5.8%)

Dividend for the year
12.8p
including fourth quarterly dividend of 3.2p
(2018: 12.4p)

Dividend Yield[1,2]
3.6%
(2018: 3.6%)

Discount to net asset value[1]
23.8%
(2018: 19.7%)

Ongoing Charges Ratio[1]
1.09%
(2018: 1.10%)

[1] Alternative Performance Measures ("APMs"). Explanations of APM's and other terms can be found in the glossary of terms & definitions on pages 71 and 72.
[2] As at 30 September 2019, based on full year dividend of 12.8p.

Strategic Report

Chair's Statement

I am pleased to report that during my first year as Chair of Standard Life Private Equity Trust plc the Company has continued to deliver positive returns to its shareholders, with increases in both the Net Asset Value ("NAV") total return and the dividend for the year.

Performance

For the year ended 30 September 2019, the Company's NAV total return was 10.5%. The total shareholder return was 5.7%. For comparison, the return on the FTSE All-Share Index was 2.7% in the same period.

While we are required to report on the performance of the Company over the last 12 months, the Board also recognises that our private equity investment strategy needs to be viewed on a longer-term basis. Investments that the Company makes within the portfolio will take a number of years to mature to the point where they might realise a return and so, as a Board, we are also focused on the trends of the longer-term performance of the portfolio. The table below shows that the Company has consistently provided better returns than the broad UK stock market.

Total returns to 30 September 2019	1 year	3 years	5 years	10 years
Share price	5.7%	47.6%	81.2%	290.0%
NAV	10.5%	44.9%	103.2%	231.5%
FTSE All-Share Index	2.7%	21.7%	38.9%	121.0%

Source: Refinitiv Datastream

A review of the Company's performance, market background and investment activity during the year under review, as well as the Manager's investment outlook, are provided in the Manager's Report which can be found on pages 11 to 27.

Investments & realisation activity

During the year, the Company made commitments totalling £188.0m (2018: £117.0m) into its unquoted portfolio. Funds were committed to eight new primary investments, three secondaries and the Company's first co-investment. The Company received £138.1m of realisations and associated income in the year (2018:£128.1m). The realised return from the ongoing investment operations of the Company's core portfolio equated to a solid 2.2 times cost (2018: 2.9 times cost). Outstanding commitments at the year end amounted to £450.3m (2018: £369.3m).

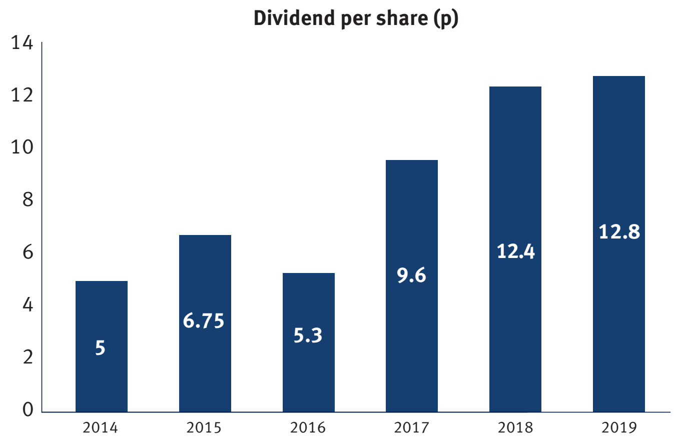
Dividends

The Company has paid three quarterly dividends of 3.2p per share and the Board has announced a fourth quarterly dividend of 3.2p per share. This will be paid on 24 January 2020 to Shareholders on the register on 20 December 2019 and will make a total dividend for the year to 30 September 2019 of 12.8p per share. This represents an increase of 3.2% on the 12.4p paid for the year to 30 September 2018 and compares to the increase in the Retail Price Index ("RPI") of 2.4% in the year to September 2019.

The Board's current dividend policy was introduced in September 2014 and since then the annual dividend per share has risen from 5p to 12.8p. The Board believes that providing a strong, stable dividend is attractive to shareholders and therefore, in the absence of unforeseen circumstances, it is committed to maintaining the real value of this enhanced dividend.

Strategic Report

Chair's Statement



Source: Aberdeen Standard Investments

Key performance indicators ("KPIs")

During the year, the Board reviewed and revised the KPIs by which performance of the Manager is measured in order better to align the KPIs with the interests of shareholders. The KPIs are as follows:

- Net asset value total return relative to the Company's comparator index, the FTSE All-Share Index.
- Total shareholder return relative to the Company's comparator index.
- Discount or premium of the ordinary share price to the net asset value per share of the Company in absolute terms and compared to the discounts of the close peers on a rolling 12 month basis.
- Ongoing charges ratio.

These measures encapsulate the key variables that the Board considers are the most important to current and prospective shareholders. More detail on the Company's performance with respect to the KPIs can be found on page 6.

Discount

The discount of the Company's share price to its net asset value ranged between 6.4% to 24.8% during the year, and averaged 17.6%, which is in line with the average of the close peer group. The Board does not have a stated discount control policy. However, the Board and Manager monitor the discount on a regular basis to ensure that the discount is not an outlier versus those of other investment companies with a similar investment approach.

Bank facility

Since the year end, the Board has increased the Company's £80m syndicated multi-currency revolving credit facility with Citibank and Société Générale to £100m and has extended the expiry date to December 2024. The facility is currently undrawn (2018: £nil).

Environmental, social & governance ("ESG")

The Board is strongly committed to responsible and sustainable investing and closely monitors the Manager's commitment to ESG factors. The Board supports the Manager's declaration that it invests in accordance with the Principles of Responsible Investment and is pleased to note that its activities in this field have been recognised with a silver award in the Private Equity Exchange & Awards. More detail on the Manager's credentials can be found on page 12.

Investment manager

The Board believes that the appointment of SL Capital Partners LLP as Investment Manager continues to be in the long-term interests of shareholders. This conclusion has been reached on the basis of the strength of the returns that the Manager has delivered for the Company and being confident that the process by which these returns have been generated remains appropriate for the objectives of the Company and that this process continues to be applied by the Manager.

Strategic Report

Chair's Statement

Since the year end, the Board has agreed with the Manager to some changes in the investment team looking after the Company. The Board is pleased to announce that Alan Gauld will become the lead manager with immediate effect. Alan has been part of the team responsible for the Company since 2017. He has been a member of the private equity team at the Manager for the last 10 years and, in that time, has worked across numerous fund investments, both primary and secondary, as well as co-investments. Alan will be supported by Patrick Knechtli and Mark Nicolson, respectively Head of Secondaries and Head of Primaries at Aberdeen Standard Investments. Our previous lead manager, Merrick McKay, has taken on a wider role within Aberdeen Standard Investments as Head of European Private Equity. The Board wishes Merrick all the best in that role.

Board

This is my first report as Chair of the Board as I assumed the role upon the retirement of Ed Warner on 31 December 2018. The Board has recently reviewed its succession plan and concluded that the Board currently has an appropriate mix of skills and experience but will keep this position under regular review.

AGM and manager's presentation

In order to encourage greater access for, and attendance by, shareholders the Board has agreed in future to alternate its annual general meetings between Edinburgh and London, and to include a presentation by the Manager. Accordingly, the next Annual General Meeting of the Company will be held at the offices of the Investment Manager, Bow Bells House, 1 Bread Street, London EC4M 9HH on Monday, 24 February 2020. The Notice of Annual General Meeting can be found on pages 73 to 76 of this Annual Report. I should like to encourage shareholders to attend and the Board looks forward to welcoming you to the Meeting.

Future reporting dates

Following consultation with the Manager and the Company's Broker, the Board has reviewed its valuation cycle and will release its annual report to 30 September in January of the following year, with the Company's AGM taking place in March from 2021. The Board has agreed to this change in order to ensure that the Annual Report contains the latest available valuations at 30 September each year from the managers of its investments. The Company's Quarterly Update to 31 December will be issued in April each year, rather than March as has previously been the case.

As a result of this change to reporting, and to ensure that shareholders continue to receive regular dividends from the Company in April, July, October and January each year, the Board will move to the payment of four interim dividends rather than three quarterly dividends and a final dividend, as the latter is subject to shareholder approval. The Board will seek shareholder approval for its dividend policy at the AGM in February 2020 and at each AGM in future.

Outlook

Against a backdrop of political and macroeconomic uncertainty, it is notable that global equity markets remained relatively steady during 2019. However macroeconomic risks, such as US-China tensions and Brexit, continue to have the potential to impact returns.

The ongoing success of private equity has attracted more capital to the asset class. The Board recognises that the current market is very competitive, with uninvested capital or 'dry powder' reaching record levels. This clearly has implications for pricing and average private equity returns in the future.

Despite this backdrop, it is worth remembering that the private equity industry has consistently outperformed the listed markets throughout economic cycles. The number of private companies continues to grow, in stark contrast to the decline in publicly listed businesses. Your Board believes that the Company's investment strategy, with its focus on the mid-market (where relatively less dry powder is accumulating compared to the larger end of the market) and its broad diversification (by underlying sector, geography and maturity) continues to provide an attractive opportunity for shareholders. The Company's focus on private equity managers with differentiated investment sourcing and value creation capabilities should also help to mitigate pricing pressures.

As always, the Board will monitor the market closely and maintain a close dialogue with the Manager on the topics of portfolio construction and management.

Christina McComb
Chair

8 January 2020

Strategic Report

Company Details

Standard Life Private Equity Trust provides exposure to:

- An appropriately diversified portfolio of leading private companies
- A carefully selected range of private equity managers, built from years of established relationships and proprietary research
- Investments principally focused on European mid-market private companies

With the objective of delivering strong, long-term total returns for Shareholders through a combination of capital growth and a progressive dividend.

The Strategic Report provides shareholders with details of the Company's strategy and business model, as well as the principal risks and challenges the Company has faced during the year under review.

The Board is responsible for the stewardship of the Company, including overall strategy, investment policy, borrowings, dividends, corporate governance procedures and risk management. Biographies of the directors can be found on page 35.

The Board has contractually delegated the management of the investment portfolio to the Manager, SL Capital Partners LLP ("SL Capital" or "the Manager"). SL Capital is part of Aberdeen Standard Investments. A summary of the terms of the Investment Management Agreement is contained in the Directors' Report on page 36.

Investment objective

The Company's investment objective is to achieve long-term total returns through holding a diversified portfolio of private equity funds and direct investments into private companies alongside private equity managers ("co-investments"), a majority of which will have a European focus.

Investment policy & guidelines

The principal focus of the Company is to invest in leading private equity funds through the primary and secondary funds markets. The Company's policy is to maintain a broadly diversified portfolio by country, industry sector, maturity and number of underlying investments. In terms of geographic exposure, a majority of the Company's portfolio will have a European focus. The objective is for the portfolio to comprise around 50 "active" private equity fund investments; this excludes funds that have recently been raised, but have not yet started investing, and funds that are close to or being wound up. The Company may also invest up to 20% of its assets in co-investments.

The Company may also hold direct private equity investments or quoted securities as a result of distributions in specie from its portfolio of fund investments. The Company's policy is normally to dispose of such assets where they are held on an unrestricted basis. This is in addition to the 20% that can be held in co-investments.

To maximise the proportion of invested assets, it is the Company's policy to follow an over-commitment strategy by making commitments which exceed its uninvested capital. In making such commitments, the Manager, together with the Board, will take into account the uninvested capital, the value and timing of expected and projected cashflows to and from the portfolio and, from time to time, may use borrowings to meet drawdowns. The Company's maximum borrowing capacity, defined in its articles of association, is an amount equal to the aggregate of the amount paid up on the issued share capital of the Company and the amount standing to the credit of the reserves of the Company. However, it is expected that borrowings would not normally exceed 30% of the Company's net assets at the time of drawdown.

The Company's non-sterling currency exposure is principally to the euro and US dollar. The Company does not seek to hedge this exposure into sterling, although any borrowings in euros and other currencies in which the Company is invested would have such a hedging effect.

Cash held pending investment is invested in short-dated government bonds, money-market instruments, bank deposits or other similar investments. Cash held pending investment may also be invested in other listed investment companies or trusts.

The Company will not invest more than 15% of its total assets in such listed equities.

The investment limits described above are all measured at the time of investment.

Strategy implementation

Aberdeen Standard Investments is one of the largest investors in private equity funds in Europe. One of the key strengths of the investment team is their extensive fund and direct deal experience, which gives the Manager greater insight into the strategies, processes and disciplines of the funds invested in and allows better qualitative judgements to be made.

Strategic Report

Company Details

The investment strategy employed by the Manager in meeting the investment objective involves a detailed and rigorous screening and due diligence process to identify and then evaluate the best private equity fund offerings.

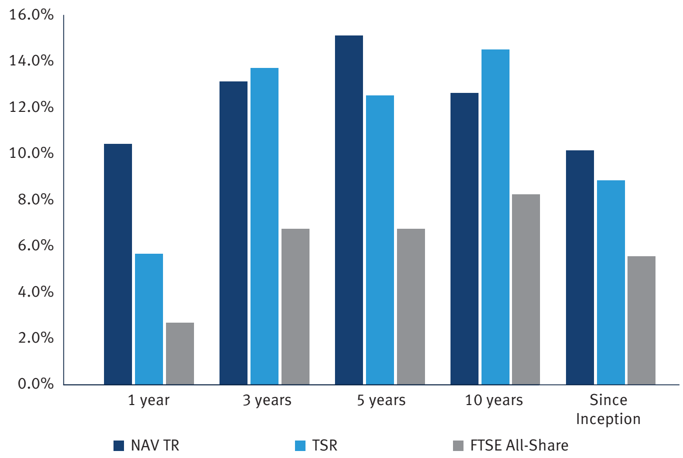
The private equity asset class has historically exhibited a wide dispersion of returns generated by fund investments and the Manager believes that appropriate portfolio construction and manager selection is vital to optimise investment performance. The Manager focuses predominantly on investing in the European mid-market space where it has a long track record. The number of potential investment opportunities in that segment is vast and the Manager continues to build a roster of blue chip, private equity firms which has been developed from years of strong relationships and proprietary research. In that regard, the objective is for the Company's portfolio to comprise around 50 "active" private equity fund investments at any one time.

Key performance indicators ("KPIs")

As set out in the Chair's Statement, the Board reviewed and revised the KPIs by which the Manager is measured. The Company's performance against each of its KPIs is set out below:

- Net asset value total return ("NAV TR") relative to the Company's comparator index

The chart below shows a comparison of the annualised total returns of the share price and NAV with that of the FTSE All-Share Index over various time frames. We are happy to report that the Company has delivered returns in excess of the wider UK market over all time frames.



Source: Aberdeen Standard Investments & Refinitiv.

- Total shareholder return ("TSR") relative to the Company's comparator index

As can also be seen from the chart on the left, the TSR has also outperformed the comparator index. In the current year however, it has underperformed the NAV, which has led to a widening of the discount.

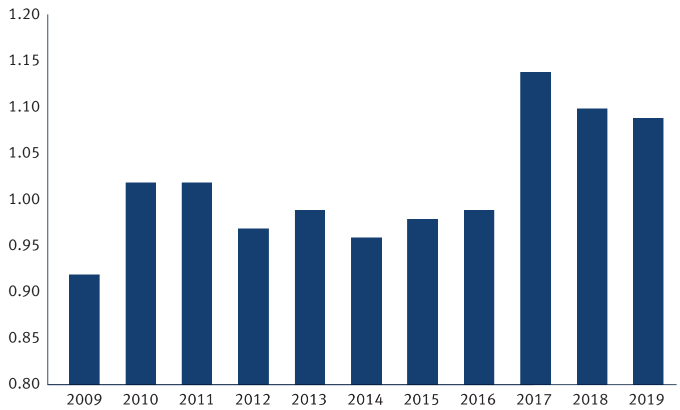
- Discount or premium of the ordinary share price to the net asset value per share of the Company in absolute terms and compared to the discounts of the close peers on a rolling 12 month basis

Year to 30 September 2019	Narrowest (discount) / Greatest premium (%)	Widest (discount) / Narrowest premium (%)	Average (%)
Standard Life Private Equity Trust	(6.4)	(24.8)	(17.6)
Close peer group average	(11.2)	(25.0)	(17.6)

Source: Aberdeen Standard Investments & Refinitiv.

The average discount for the year is in line with the average discount of the close peer group of other private equity investment trusts. However, the volatility of the Company's discount is wider than that of the average of its peers.

- Ongoing charges ratio ("OCR")



Source: Aberdeen Standard Investments

The OCR narrowed to 1.10% in 2018 and again in 2019 to 1.09%. The OCR increased in 2017 as a result of the termination of the previous incentive fee arrangement on 30 September 2016. Following the end of the incentive fee period, the management fee arrangement was changed to a flat fee of 0.95%.

Principal risks & uncertainties

The Board has in place a process to assess and monitor the operating and control environment risks of the Company. The principal risks faced by the Company relate to the Company's investment activities and these are set out below.

- The Company has no appetite for risk exposure that could result in poor long-term investment performance, loss of reputation, regulatory fines or penalties, or breach of regulations and loan covenants.
- It has a very low tolerance for financing risk which could prevent the Company from meeting its financial obligations.
- In the pursuit of its Investment Objective, the Company is willing to accept risks that may result in shorter-term fluctuations in investment performance.
- The Board considers its risk appetite in relation to each principal risk and monitors this on an ongoing basis. Where a risk is approaching or is outside the tolerance level, the Board will consider taking action to manage the risk. At present the Board considers the risks to be managed within acceptable levels.

Risk	Definition	Tolerance	Update / Mitigation
Market	a) Pricing risk The Company is at risk of the economic cycle impacting listed financial markets and hence potentially affecting the pricing of underlying investments and timing of exits. b) Currency risk The Company has a material proportion of its investments and cash balances in currencies other than sterling and is therefore sensitive to movements in foreign exchange rates.	Medium	a) This is mitigated by the Company having a diversified and rolling portfolio of fund investments and co-investments. b) The Manager monitors the Company's exposure to foreign currencies and reports to the Board on a regular basis. It is not the Company's policy to hedge foreign currency risk. The Company's non-sterling currency exposure is primarily to the euro and the US dollar. During the year sterling appreciated against the euro by 0.7%, whilst deprecating by 5% against the US dollar.
Liquidity	The risk that the Company is unable to meet short-term financial demands.	Low	The Company manages its liquid investments to ensure that sufficient cash is available to meet contractual commitments and also seeks to have cash available to meet other short-term needs. Additional short-term flexibility is achieved through the use of the revolving multi-currency loan facility. Liquidity risk is monitored by the Manager on an ongoing basis and by the Board on a regular basis. As at 30 September 2019, the Company had £67.7m of resources available for investment and £80.0m of an undrawn revolving credit facility. As set out in the Chair's statement on page 3, subsequent to the year end, the Company's revolving credit facility was increased to £100m.

Risk	Definition	Tolerance	Update / Mitigation
Credit	The exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.	Low	The Company places funds with authorised deposit takers from time to time and, therefore, is potentially at risk from the failure of such institution. At the year end the Company had £66.3m in money-market funds, cash and short-term deposits. The Company's money-market funds are held in two Aberdeen Standard Investments (Lux) Liquidity funds, as well as in a Société Générale money-market fund. The Aberdeen Standard Investments (Lux) Liquidity fund is rated 'AAA' by Standard and Poors, while Société Générale and BNP Paribas Securities Services S.A. are rated 'A' and 'A+' by Standard and Poors respectively. The credit quality of the counterparties is kept under regular review. Should the credit quality or the financial position of these financial institutions deteriorate significantly, the Manager would move cash balances to other institutions.
Investment selection	The risk that the Manager makes decisions to invest in funds and/or co-investments that are not accretive to the Company's NAV over the long term.	Medium	The Manager undertakes detailed due diligence prior to investing in, or divesting, any fund or co-investment. It has an experienced team which monitors market activity closely. The Manager has long-established relationships with the third party fund managers in the Company's portfolio which, in almost all cases, have been built up over 10 years or more.
Over-commitment	The risk that the Company is unable to settle outstanding commitments to fund investments.	Medium	The Company makes commitments to private equity funds, which are typically drawn over three to five years. Hence the Company will tolerate a degree of over-commitment risk in order to deliver long-term investment performance. In order to mitigate this risk, the Manager will monitor and ensure that the Company has appropriate levels of resources, whether through resources available for investment or revolving credit facility, relative to the levels of over-commitment. In addition, the Manager will also forecast and assess the maturity of the underlying portfolio to determine likely levels of distributions in the near term. Furthermore the Manager will track the over-commitment ratio and ensure that it sits within the range, agreed with the Board, of 30% to 75% at any given time. Currently the Company has £450.3m (2018: £369.3m) of outstanding commitments, with £62.0m (2018: £60.0m) expected not to be drawn and an over-commitment ratio of 42.6% (2018: 30.7%).

Company Details

Risk	Definition	Tolerance	Update / Mitigation
Operational	The risk of loss or missed opportunity resulting from a regulatory failure or a failure relating to people, processes or systems.	Low	From a governance viewpoint, the Board meets with the Manager a minimum of five times each year to discuss all matters relating to the Company. This includes the various facets of operational risk. The Manager has a defined set of formal procedures relating to investment decision making, investment allocation, portfolio construction, valuations and portfolio monitoring. The Manager uses and stores information relating to the Company on a system tailored to the private equity industry and the wider Alternatives asset class. The system is subject to a robust set of controls including segregation of duties and "four eyes" checks. The Manager conducts internal audit exercises which cover operational factors that impact the Company.
Interest rate	The Company will be affected by interest rate changes as it holds some interest bearing financial assets and liabilities.	Low	The majority of its financial assets are investments in private equity funds which are non-interest bearing.

The financial risk management objectives and policies of the Company are contained in note 19 to the financial statements which can be found on pages 65 to 69 of this Annual Report.

Review of performance

An outline of the performance, market background, investment activity and portfolio during the year under review and the performance over the longer term, as well as the investment outlook, are provided in the Highlights, Chair's Statement, and Manager's Review. Details of the Company's investments can be found on page 32. The ten largest funds are shown on pages 28 and 29 and the top 30 underlying private company investments are shown on page 33.

Strategic Report

Company Details

Viability statement

In accordance with Provision C.2.2 of the UK Corporate Governance Code revised in April 2016 and Principle 21 of the AIC Code of Corporate Governance revised in July 2016, the Board has assessed the Company's prospects for a five year period. The Board considers five years to be an appropriate period for an investment trust company with a portfolio of private equity investments and is based on the financial position of the Company as detailed in the Chair's Statement, and the Manager's Review in this Annual Report and Financial Statements.

In determining this time period the directors considered the nature of the Company's commitments and the Company's associated cash flows. Generally the private equity funds and co-investments in which the Company invests call monies over a five year period, whilst they are making investments, and these drawdowns should be offset by the more mature funds and co-investments, which are realising their investments and distributing cash back to the Company. The Manager presents the Board with a comprehensive review of the Company's detailed cash flow model on a regular basis, including projections for up to five years ahead depending on the expected life of the commitments. This analysis takes account of the most up to date information provided by the underlying managers, together with the Manager's current expectations in terms of market activity and performance.

In addition, following the year end, the Board increased and extended the Company's syndicated multi-currency revolving credit facility with Citibank and Société Générale to £100m until December 2024. The facility is currently undrawn (2018: £nil). The Board believes that this will provide additional funding capacity if required.

The directors have also carried out an assessment of the principal risks as noted on pages 7 to 9 and discussed in note 19 to the financial statements that are facing the Company over the period of the review. These include those that would threaten its business model, future performance, solvency or liquidity such as over-commitment and market risks. By having a portfolio of fund investments, diversified by manager, vintage year, sector and geography, by assessing market and economic risks as decisions are made on new commitments, and by monitoring the Company's cash flows together with the Manager, the directors believe the Company is well placed to take advantage of economic cycles. The directors are also aware of the Company's indirect exposure to ongoing risks through underlying funds. These are continually assessed by the Manager monitoring the underlying managers themselves and by participation on fund advisory boards.

Based on the results of this analysis, and the ongoing ability to adjust the portfolio, the directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period following the date of this report.

Social, Community, Employee Responsibilities & Environmental Policy

The Company has no employees. The portfolio is managed by the Manager and all activities are contracted out to third party service providers. There are, therefore, no disclosures to be made in respect of employees. The Board is strongly committed to responsible and sustainable investment and closely monitors the Manager's commitment to ESG factors. More details on the Manager's ESG credentials can be found on page 12.

Gender representation

At 30 September 2019, there were three male directors and two female directors on the Board. The Board's approach to diversity is set out in the report from the Nominations Committee on page 42.

Approval

The Strategic Report as a whole was approved by the Board of Directors and signed on its behalf by:

Christina McComb
Chair

8 January 2020

Explanations of APM's and other terms can be found in the glossary of terms & definitions on pages 71 and 72.

Strategic Report

Manager's Report

Private equity

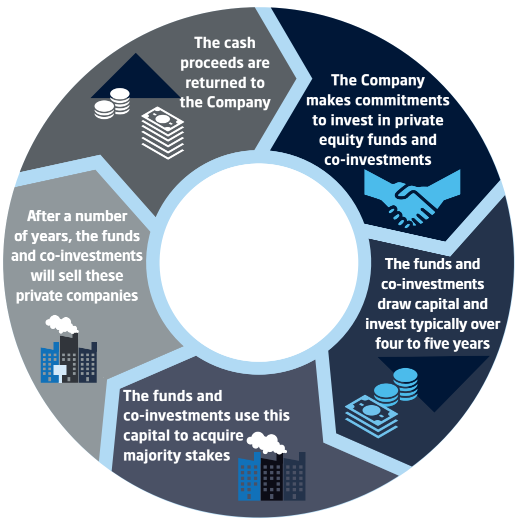
The private equity asset class has grown materially in recent years, driven by increased demand from investors as they seek to diversify portfolios, reduce risk and enhance returns. This has been mirrored by a noticeable shift in the attitude in the boards of companies, who are increasingly electing to stay private for longer or de-listing from public markets.

The vast majority of capital invested in private equity is raised and managed via limited partnership structures, where investors make relatively long-term commitments and have more limited liquidity options relative to public markets. Investors typically expect higher returns from private equity to compensate for this illiquidity. Private equity managers aim to achieve those returns by having a more active role in the management of their investee companies and by applying specific operational and financial skill sets as part of a well-defined value creation plan.

Accessing private equity

The private equity asset class has historically been funded in large part by institutional investors, such as pension funds, endowment and insurance companies. These investors typically have longer-term investment horizons and are able to invest millions of pounds / dollars / euros in a single commitment or investment. Closed-ended investment trusts provide a means for smaller institutional investors and private individuals to gain exposure to this asset class.

SLPET is indirectly invested in a diverse range of companies managed by leading private equity managers. In total, the portfolio has exposure to around 400 underlying companies. The selection of the managers, their funds and the direct investments is the result of years of proprietary research and relationship building by the Manager.



The portfolio consists of three types of investment:

- **Primary investment:** SLPET commits to investing up to a predetermined amount in a new private equity fund. The committed capital will generally be drawn over a three to five year period as investments in underlying private companies are made. Proceeds are then returned to SLPET when the underlying companies are sold, typically over a four to five year holding period. Over 80% of the portfolio is currently invested in this way.
- **Secondary investment:** A negotiated agreement to transfer the beneficial ownership of a fund commitment to a new investor, with the prior approval of the manager of the fund. Typically this would occur at a point where the fund has already utilised most of its investment commitments. The price paid in this type of transaction will reflect the commitments being assumed by the new investor and the age profile and quality of the underlying portfolio.
- **Co-investment:** the Company makes direct investments into private companies alongside other private equity managers. In the case of SLPET, this will be alongside private equity managers with which the Company has already invested or other managers based on detailed due diligence.

Portfolio construction

The Manager adopts a dynamic approach to portfolio construction, taking into account changes in the SLPET portfolio and the wider market environment. SLPET's focus is predominantly on investing in European mid-market companies. In recent years, SLPET has increased its exposure to North American mid-market companies, driven by access to attractive investment opportunities and the associated diversification benefits. In order to gain access to the best quality private equity managers, the majority of the portfolio is invested via primary investments. As it takes time for the commitments to these primary investments to be drawn down and invested into portfolio companies, the Manager employs an "over commitment" strategy. This ensures the portfolio is as fully invested as possible, but requires careful management of the cash and loan facilities available to meet the obligations to fund outstanding commitments.

In addition to primary investments, the Manager purchases private equity fund interests in the secondary market in order to to fill gaps in the portfolio and gain exposure to new managers. Since the expansion of the strategy in January 2019, the Manager also participates in co-investments for the Company. Secondaries and co-investments have a complementary investment profile, helping to deploy cash more quickly and also typically exhibiting shorter holding periods, thereby reducing the overall average duration of SLPET's portfolio and, in most cases, generating higher IRRs. Co-investments sourced by the Manager also typically have no fees or carried interest payable, further enhancing the potential cash returns received by SLPET. The Manager may also sell interests via the secondary market for relative value, portfolio construction or liquidity reasons.

Strategic Report

Manager's Report

Overview of the Manager

SLPET is managed by the Aberdeen Standard Investments' ("ASI") private equity team which is based in Europe and in the US. The team is one of the largest investors in private equity funds and co-investments in Europe. A key strength of the investment team is their extensive fund and direct deal experience, which gives the Manager greater insight into the strategies, processes and disciplines of the funds invested in and allows better qualitative judgements to be made.

Investment professionals	Years managing SLPET	Advisory Board seats held over time	Commitments made	Private Equity AUM
41	**18**	**>400**	**1,000**	**>£12bn**

Responsible investment - Environmental, Social & Governance ("ESG")

ASI has been UN PRI signatory for over 10 years and has recently been awarded a PRI rating of A+. It has a central ESG and Stewardship team consisting of 20 people and is active in ESG industry involvement (PRI, ICGN, ACGA, Eurosif, UKSIF, VBDO, UN Global Compact, CDP, EITI, TCFD, 30% Club). The central ESG and Stewardship team works alongside the private equity team to ensure best practice in ESG efforts.

In addition, the Manager's private equity team has its own ESG representatives, headed by the Company's lead manager, Alan Gauld, and supported by the Private Equity ESG Committee. The Committee is responsible for driving forward private equity ESG initiatives and monitoring progress by the Manager. The Committee meets on a quarterly basis and has representation from across the private equity team and the ESG and Stewardship team.

The Manager has its own ESG policy for private equity and has incorporated ESG considerations into investment activity over the last decade. Each new investment made on behalf of the Company this year was subject to full operational due diligence and specific due diligence around ESG. In addition, we have ensured that all primary fund commitments in the year are subject to legal protections relating to socially responsible investing ("SRI").

No primary or secondary fund opportunities were declined solely on ESG grounds during the year, however an advanced co-investment opportunity in the Healthcare space was rejected due to ESG concerns around pricing practices, given the relatively high level of revenue and margin generated from customers in the public sector. During the year the Manager worked with several of the Company's private equity managers regarding ESG. For example, the Manager specifically worked with one of the Company's North America-based private equity managers to help the firm further develop and refine its ESG capabilities, particularly around ESG reporting frameworks.

The Manager recently concluded its 5th annual Private Equity ESG survey. This exercise allows the Manager to monitor responsible investment progress in its portfolio and intervene when there is underperformance in relation to a private equity manager's approach. The survey was sent out to 176 private equity firms, including the Company's core private equity managers. On the back of the results, the Manager has no significant concerns around the ESG focus of the Company's core portfolio. The 2019 ESG survey will be made available to investors upon request.

Finally, the Manager's focus on ESG in the year was recognised with a 'Silver Award' for Best ESG Private Equity Firm at the 10th edition of the Private Equity Exchange & Awards. We are delighted to be recognised by the European private equity market as amongst the leaders in ESG.

Borrowing facilities

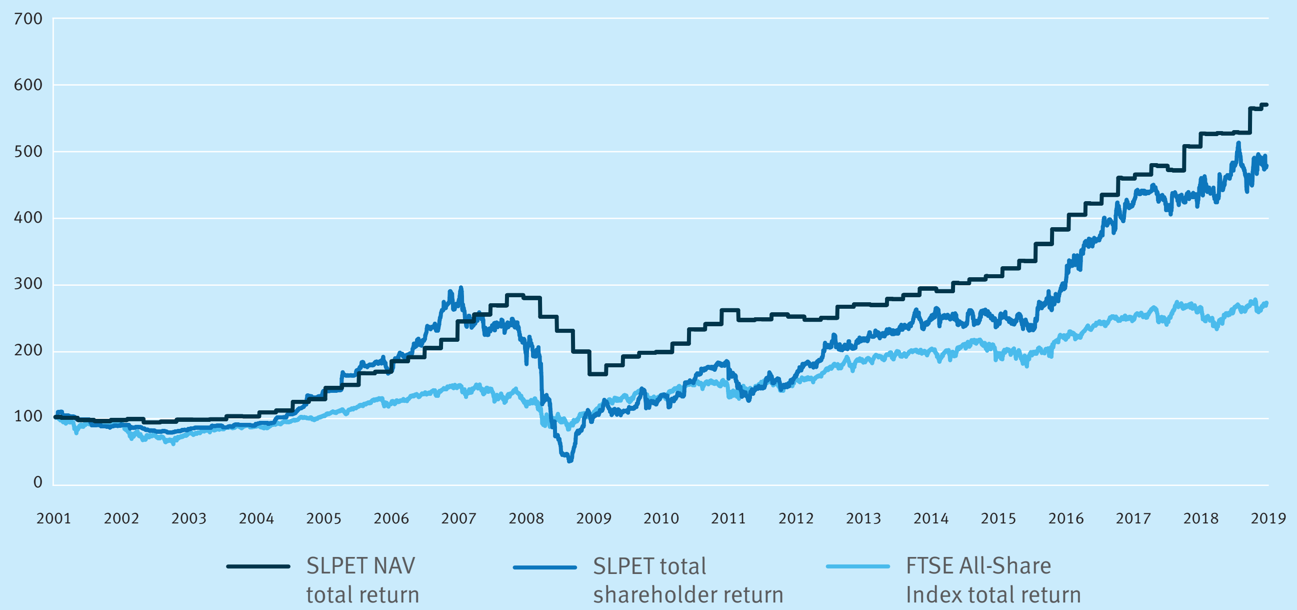
Throughout the year SLPET had access to an £80m syndicated multi-currency revolving credit facility with Citibank and Société Générale. Since the year end the Board has agreed an expansion of this facility to £100m and has extended the expiry date to December 2024. The facility was undrawn at the year end (2018: £nil). The interest rate on this facility is LIBOR plus 1.50%, rising to 1.70% depending on utilisation, and the commitment fee payable on non-utilisation is 0.7% per annum. During the year we incurred £683k in fees and interest for the revolving credit facility. Notwithstanding the lack of utilisation of the facility, it is a valuable tool for managing SLPET's resources available for investment and will look to use this opportunistically in the future.

Strategic Report

Manager's Report

Financial Summary

Performance (total return[1,2]) since inception to 30 September 2019



		Annualised			
Performance (total return)[1]	**1 year %**	**3 years %**	**5 years %**	**10 years %**	**Since inception[3] %**
SLPET NAV	10.5	13.2	15.2	12.7	10.2
SLPET share price	5.7	13.8	12.6	14.6	8.9
FTSE All-Share Index	2.7	6.8	6.8	8.3	5.6

Highs/Lows for the year ended 30 September 2019	**High**	**Low**
Share price	385.1p	320.0p

[1] Includes dividends reinvested.
[2] Source: The Manager and Refinitiv. Rebased to 100 as at 29 May 2001, being the inception date of the Company.
[3] The Company was listed on the London Stock Exchange in May 2001.

Strategic Report

Manager's Report

Ten Year Historical Record

Summary financial information

NAV and share price as at 30 September	Net assets £m	NAV (undiluted) p	NAV (diluted) p	Share price p	Discount to diluted NAV %
2010	315.2	195.3	193.3	113.75	(41.2)
2011	369.4	228.7	225.9	134.00	(40.7)
2012	369.7	227.6	224.9	162.38	(27.8)
2013	401.2	244.2	243.4	198.00	(18.6)
2014	409.1	257.4	257.4	230.00	(10.6)
2015	438.7	281.6	281.6	214.00	(24.0)
2016	532.6	346.4	346.4	267.25	(22.8)
2017	599.0	389.6	389.6	341.50	(12.3)
2018	661.4	430.2	430.2	345.50	(19.7)
2019	710.1	461.9	461.9	352.00	(23.8)

Performance and dividends. Year to 30 September	NAV total return %	Total shareholder return %	Dividend paid [1] £m	Dividend per ordinary share p	Ongoing Charges Ratio %
2010	18.4	1.4	0.1	0.20	1.02
2011	17.0	18.0	0.2	1.30	1.02
2012	0.1	22.4	1.0	2.00	0.97
2013	9.1	23.4	1.3	5.00	0.99
2014	7.7	19.1	8.2	5.00	0.96
2015	11.9	(4.0)	10.6	5.25	0.98
2016	24.8	27.9	8.2	5.40	0.99
2017	14.9	31.9	14.8	12.00	1.14 [2]
2018	13.3	5.8	18.8	12.40	1.10
2019	10.5	5.7	19.4	12.80	1.09

	Fund manager as a % of net assets		Fund investments as a % of net assets		
Investment exposure as at 30 September	Top 5 %	Top 10 %	Top 10 %	Top 20 %	Top 30 %
2010	62.1	96.4	67.9	101.0	116.2
2011	57.9	89.1	69.0	95.4	106.8
2012	51.2	80.2	63.5	87.4	97.9
2013	44.9	68.4	51.7	76.5	86.8
2014	43.2	65.0	52.9	74.0	82.7
2015	42.4	65.2	48.6	71.4	80.2
2016	39.7	65.0	45.9	68.3	78.8
2017	38.5	58.9	47.7	73.7	81.6
2018	39.5	63.6	48.4	76.3	85.2
2019	42.7	67.9	53.9	78.8	86.4

Source: The Manager & Refinitiv

[1] Represents the cash dividends paid during the year.
[2] The incentive fee arrangement ended on 30 September 2016. Following the end of the incentive fee period, a single management fee of 0.95% per annum of the NAV of the Company replaced the previous management and incentive fees.

Strategic Report

Manager's Report

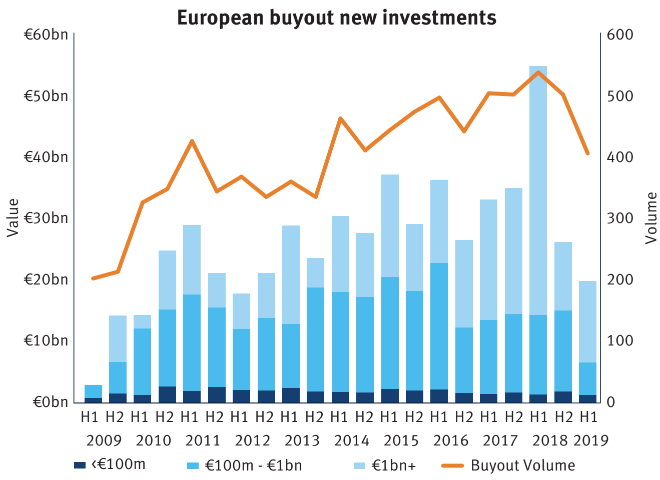
Sector Review

Private equity market review

Over recent years there has been a marked shift towards the private equity asset class (buyouts, growth and venture capital), resulting in assets under management ('AuM') growing to a record high of c.$3.4 trillion globally. In the US for example, the number of PE-backed companies increased by 106% between 2006 to 2017 from around 4,000 to over 8,000. In contrast, according to the McKinsey Global Private Markets Review 2019, the number of US publicly traded firms fell by 16% over the same time period to around 4,300 (and by 46% since 1996). Investors who invested in private equity through and after the global financial crisis have generally achieved strong returns, driving further interest in, and growth of, the market. Whilst the total market value is at a high relative to historical levels, it remains relatively small in comparison with traditional asset classes.

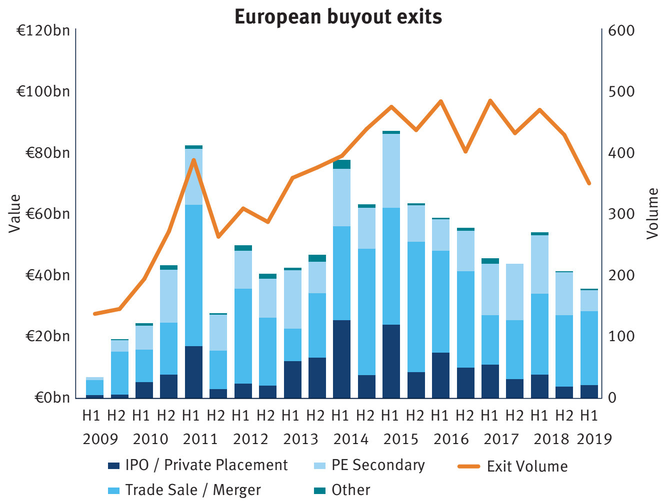
Primary market activity

Total transaction values in 2018 broke post-financial crisis levels in both Europe and North America, driven by the large/mega-cap segment (deals of over €1bn). The first half of 2019 saw subdued levels of activity, particularly when compared with the same period in 2018. The large/mega-cap segment was also significantly down across both markets on the 2018 peak but ahead of the level of activity in the second half of 2018 in Europe and broadly in line with long-term, post-crisis levels.



Source: Preqin

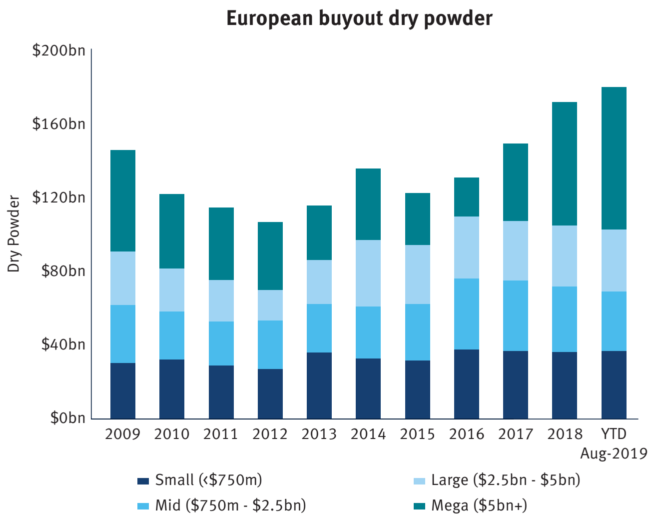
Exit activity has remained buoyant over the last 10 years. Activity peaked in 2014/15 as private equity managers took advantage of a relatively stable market backdrop to realise their remaining pre-crisis portfolios. Trade acquirers, taking advantage of cheap corporate debt and pricing-in synergies, have been particularly active in recent years, consistently representing the majority of exit value. The first six months of 2019 saw a reduction in exit activity, possibly as buyers became more cautious in anticipation of a potential economic slowdown.



Source: Preqin

Fundraising and dry powder

In recent years we have seen increased levels of capital attracted to the private equity asset class. This is due to a combination of long-term outperformance compared to public markets, high levels of cash distributions relative to historical trends and the search for strong returns in an expected low-growth environment. This has led to a fundraising environment at its most buoyant since the global financial crisis in 2008. The best performing managers across all size segments are continuing to attract capital and are raising new funds relatively easily.



Source: Preqin

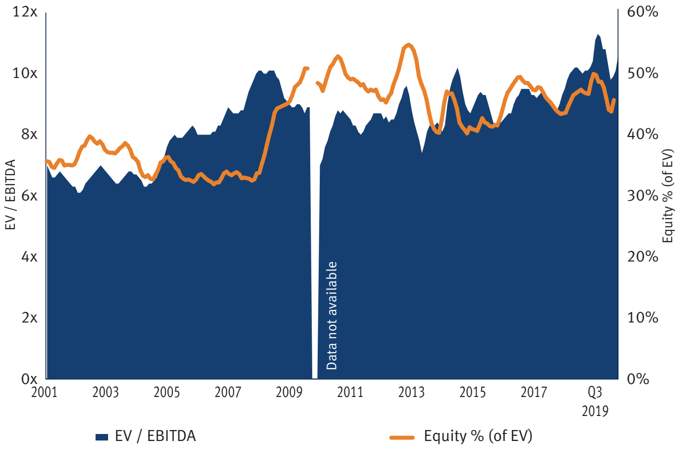
The strong fundraising environment has led to record levels of dry powder. The US buyout market currently has around $410bn of uninvested capital committed or over double the amount when compared to Europe. In both the US and Europe, the increase in dry powder has been primarily driven by larger funds (above $5bn in size). In contrast, mid-market levels remain relatively consistent on both sides of the Atlantic. The Company's core focus remains in the mid-market segment.

Entry pricing and leverage

Overall, pricing levels remain relatively high when compared to the 10 year averages. Mid-market transactions are taking place at an average of around 9x EBITDA in Europe which represents a significant discount to the larger European buyout space, which saw an average entry multiple of 11x EBITDA in 2018. Average multiples in the large/mega-cap segment have consistently exceeded 10x EBITDA since 2014. The trend is similar in the US market.

Leverage multiples have also edged higher since 2009 due to improved debt availability. However, "covenant-lite" structures are becoming increasingly common and equity as a percentage of enterprise value remains high compared to pre-crisis levels. These factors are expected to provide managers with a greater level of capital structure resilience and flexibility if there were short-term trading challenges or an economic downturn. We view this as one of the industry's key lessons learned from the last financial crisis.

European buyout entry multiples

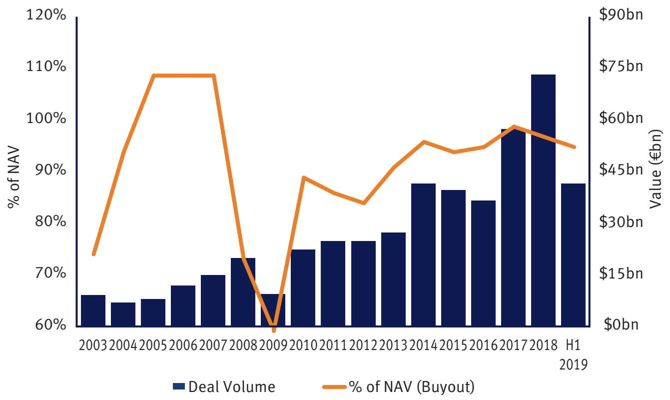


Secondary investment market

The development of the secondary market, whereby positions in established funds are bought and sold, has accelerated in recent years, with a combination of strong pricing, buoyant fund-raising and innovation in deal types driving record levels of deal volume.

According to figures from Greenhill, deal volumes for the first half of 2019 were around $42 billion, up 56% on the same period last year. Strong momentum has continued into the second half of 2019, such that deal volumes for the full year are expected to exceed the record level of $74bn achieved in 2018. Activity levels have been boosted notably by an increase in larger deals (those of over $1 billion) and the growth in manager-led transactions, which include liquidity offerings, fund restructurings and spin-out deals.

Secondary market volume and pricing



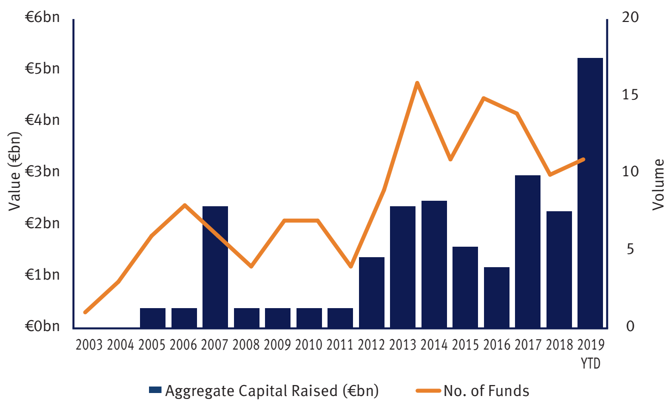
Source: Greenhill

Average pricing for secondary deals in the first half of 2019 declined to 89% of NAV, largely due to an increase in the amount of mature fund positions which tend to trade at higher discounts. That being said, funds managed by high quality or well-known managers continue to command strong pricing, often at or above NAV.

Co-investment market

The co-investment market has continued to grow driven by a shift in investor demand towards more direct private equity products. Whilst co-investments can add single company concentration and therefore risk, appropriately sized investments can be accretive to performance. Investors are attracted to co-investment by its core advantages relative to fund investment; having greater control of investment selection and the lower level of fees.

European Co-investment Fundraising volume and value



Strategic Report

Manager's Report

Performance

Summary

- **NAV performance** - The NAV total return ("NAV TR") for the year was 10.5% versus 2.7% for the FTSE All-Share index and in line with the Company's NAV TR since inception of 10.2%.
- **Underlying portfolio performance** - The portfolio continues to generate strong realisations, with distributions and income generated in the year of £138.1m. Exits were realised at an average premium of over 20% to the last relevant valuation. The underlying portfolio exhibited strong average revenue and EBITDA growth in the year of over 10%.
- **New commitments** - 2019 was an active year for new commitments, with a number of the Company's core private equity managers returning to the fundraising market. In total, eight primary fund commitments, three secondary fund commitments and one co-investment were completed.
- **Introduction of co-investments** - In January 2019 the investment objective of SLPET was broadened to include the ability to invest in co-investments. The Company's first co-investment was made in Mademoiselle Desserts, a leading European manufacturer of premium frozen pastries.
- **Active management** - SLPET sold interests in 17 mature secondary and buyout funds where there was deemed to be limited upside for a total consideration of £29.9m.
- **Outstanding commitments** - Total outstanding commitments of £450.3m (2018: £369.3m). The over-commitment ratio has increased to 42.6%.
- **Revolving credit facility** - Since the year end the Board has agreed an expansion of this facility to £100m and has extended the expiry date to December 2024.

NAV performance

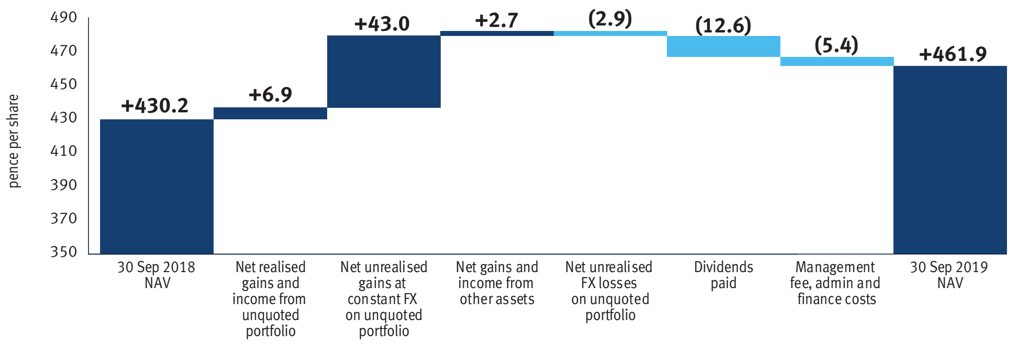
The NAV TR for the year was 10.5% versus 2.7% for the FTSE All-Share index and in line with the Company's annualised NAV TR since inception of 10.2% per annum. The underlying portfolio exhibits strong average revenue and EBITDA growth in the year of over 10%.

Underlying performance

The increase in value of the unquoted portfolio on a per share basis was 47.0p. This was made up of net unrealised gains at constant FX of 43.0p, net realised gains and income of 6.9p and net unrealised FX losses of 2.9p.

Notable contributors to the unrealised gains included 3i Eurofund V, Permira V and Advent GPE VIII which together accounted for 21.6p of the NAV increase. Action, as the Company's single largest underlying company at 7.7% of NAV, continued to grow strongly in the year and was a key contributor to unrealised gains in the period via 3i Eurofund V (see case study overleaf). Conversely, at a fund level, unrealised value decreases were seen at Equistone V and Montagu IV, which together contributed to a NAV reduction of 7.1p.

Value creation (NAV) bridge



Strategic Report

Manager's Report

Performance

The leading European non-food discount retailer.

Company overview

Action is a high-growth, pan-European discount retailer offering 14 product categories such as personal care, food, toys and stationery. The Action store model is cost-effective, simple, and proven to be highly scalable with its one brand approach across multiple European countries. Action operates more than 1,300 stores across Europe with 46,000 employees selling more than 6,000 products. In 2018, Action generated €4.2bn in sales and €450m of EBITDA.

"More than you expect, for less than you imagine" - Action's selling proposition

The opportunity

Why 3i Partners invested in this business:

- International expansion opportunity – continued store expansion into existing and new underpenetrated regions
- Outstanding track record of delivering organic growth and best-in-class operating metrics
- Highly cash-generative business model

Lead manager
3i Group plc

SLPET's investment
€40m primary commitment to 3i Eurofund V

Unrealised return
31.0x money invested

Investment year
2011

Company size
Mid-market

Geographic focus
Europe

Sector
Retail

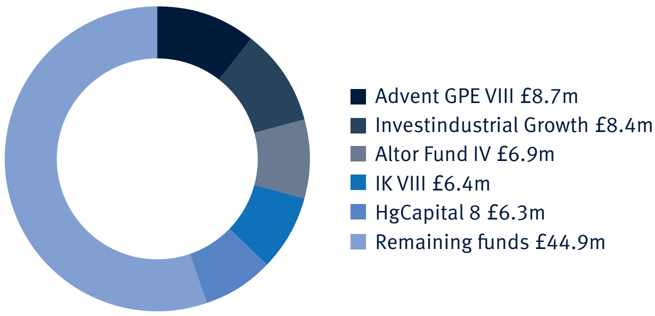
Status
Unrealised

Material contributors to realised gains were CVC V, Permira V, IK VII, Equistone IV and Montagu IV, which together accounted for 22.6p of the NAV increase, where companies such as Transnorm, Nemera, Parex and TeamViewer were fully or partially sold for strong returns above prior carrying values. Realised losses amounted to a NAV reduction of 4.8p.

During the year, sterling appreciated against the euro by 0.7%, whilst depreciating against US dollar, by 5.5%. This had a negative impact on the Company's NAV. The sterling/euro exchange rate at 30 September 2019 was £1/€1.1227 and the sterling/dollar exchange rate was £1/$1.3041. The combined effect of foreign exchange movements on the valuation of the unquoted portfolio over the year was to reduce the NAV per share by 2.9p (0.6%).

We, and the Board, do not believe it is appropriate for the Company to undertake any financial hedging of its foreign exchange exposure, given the irregularity in size and timing of individual cash flows to and from its fund investments and co-investments. Any cash balances and bank indebtedness are held in sterling, euro and US dollars, broadly in proportion to the currency of the Company's outstanding fund commitments.

Drawdowns



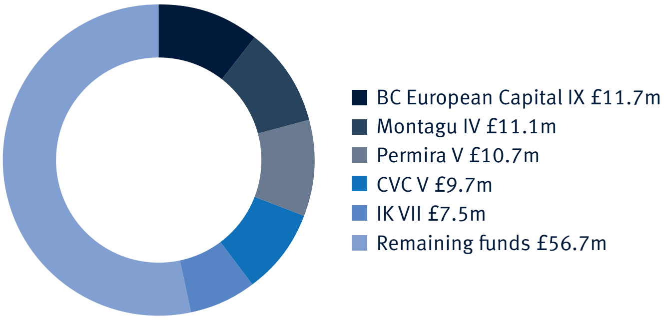
During the year £81.6m was invested through SLPET's portfolio of funds into existing and new underlying companies. Drawdowns were used to invest into a diverse set of predominantly European companies, with notably large new investments in Mehiläinen via CVC Fund VII (a leading provider of healthcare and care services in Finland), Mobility Holdings via Hg 8 (leading European B2B fleet leasing company) and Ginefiv via Investindustrial Growth (leading Spanish fertility clinics). For each of these portfolio companies the value creation plan typically includes the internationalisation of the company, the introduction of new products, undertaking a 'buy and build' acquisition strategy, and / or professionalisation of the company's management team, processes and reporting.

Strategic Report

Manager's Report

Performance

Distributions



Exit activity from the private equity funds was driven by the continued strong market appetite for high quality private companies, both from trade / strategic buyers (for example, Honeywell's acquisition of Transnorm from IK VII) and other private equity firms (Astorg's acquisition of Nemera from Montagu IV). IPO has been less prominent as an exit route during the year, although we note the successful listing of TeamViewer (Permira V) on the Frankfurt stock exchange, one of the largest software IPOs in European history. The majority of portfolio company realisations were at a significant premium to the last relevant valuation, typically in the region of 20%+. This average premium paid at exit has persisted since 2010. Case studies of two of the largest distributions in the year, Transnorm and Nemera, are included below.

The global leader in conveying technology for the automated logistics market.

Company overview

Transnorm is a global market leader for high performance conveying modules and components that are used in diverse end markets such as the parcel, distribution/e-commerce and airports industries.

The opportunity

Why IK Investment Partners ("IK") invested in this business:

- Internationalisation opportunity – continued expansion into APAC and North America, leveraging the existing manufacturing plants and sales offices
- Continued focus on product innovations and expansion of product applications
- Further focus on the aftermarket business
- Inorganic growth potential through selected add-ons

Lead manager
IK Investment Partners

SLPET's investment
€30m primary commitment to IK Fund VII

Return
6.0x money invested

Investment year
2014

Company size
Mid-market

Geographic focus
Global

Sector
Industrials

Status
Realised

A global leader in the design, development and manufacturing of drug administration devices for the pharmaceutical, biotechnology and generics industries.

Company overview

Nemera provides a comprehensive range of devices used across the pharmaceuticals and biotechnology industries, including off-the-shelf innovative systems, customized design development and GMP manufacturing of devices developed by its customers. Nemera's products cover a range of delivery routes including Ophthalmic, Nasal, Inhalation, Parenteral, Dermal and Transdermal.

The opportunity

Why Montagu invested in this business:

- Leading provider of complex drug administration systems with leading global positions in several niche products (e.g. respiratory, dermal).
- Sustained market growth of 6-8% p.a. driven by increased disease prevalence (e.g. diabetes), new drug launches and stricter patent compliance.
- Entrenched leadership protected by long-term relationships with customers, extensive pharma-grade manufacturing experience (GMP, clean rooms), and multi-year contracts.

Lead manager
Montagu Private Equity

SLPET's investment
€30m primary commitment to Montagu IV

Return
5.0x money invested

Investment year
2014

Company size
Mid-market

Geographic focus
Global

Sector
Industrials

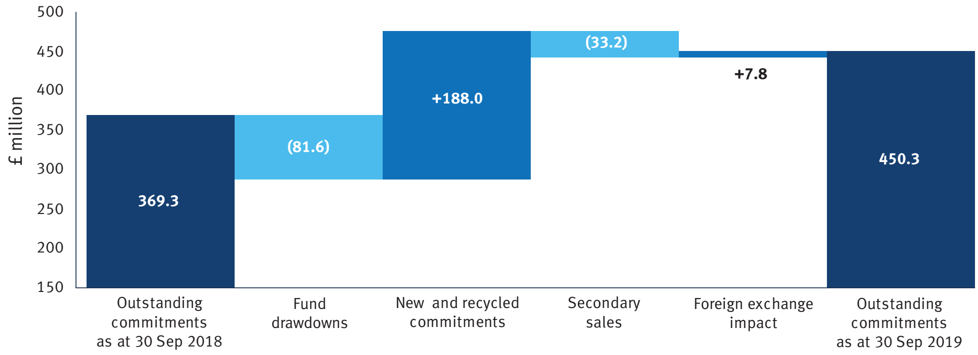
Status
Realised

Strategic Report

Manager's Report

Commitments

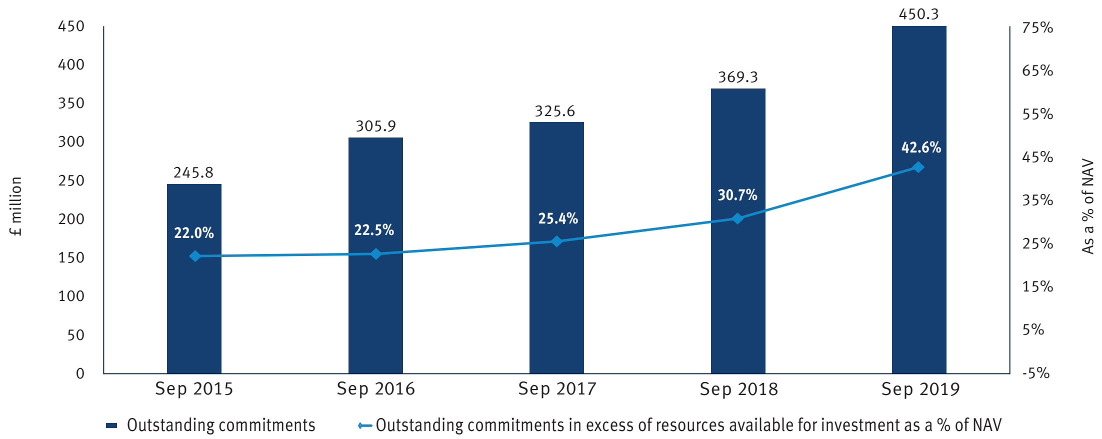
Movement in outstanding commitments and drawdowns between 30 September 2018 and 30 September 2019



In total, eight primary fund commitments, three secondary fund commitments and one co-investment were completed during the year as a number of the Company's core private equity managers returned to the fundraising market. The total value of new and recycled commitments in addition to exposure acquired amounted to £188.0m, whilst fund drawdowns were £81.6m. The total outstanding commitments at financial year end were £450.3m (2018:£369.3m).

The over-commitment ratio has increased to its current level of 42.6% but still remains at the lower end of our long-term target range of 30%-75%, highlighting the prudent approach to over-commitment we have adopted in the current market environment. We take additional comfort from the maturity profile of the underlying portfolio, where approximately 50% of the portfolio, by value, has been held for four or more years, as noted on page 27. We expect that the value in many of these mature positions is likely to be realised in the near term, which will provide further funding for existing commitments. In addition, we estimate that around £62.0m of the reported outstanding commitments are unlikely to be drawn down, driven by the nature of private equity investing. We also estimate that around £48m is currently held by underlying funds as credit facilities and we expect that this amount will be drawn from the Company within the next 12 months.

Outstanding commitments



Strategic Report

Manager's Report

Primary investment activity

During the year £122.6m was committed to new private equity primary funds focused on Europe, £24.7m to two North American funds, and £21.4m to a global investment strategy. All new commitments were with core private equity managers with whom the Manager has deep relationships and has tracked over the long term.

The value of primary commitments made in the year is ahead of prior years. This is largely due to a number of the Company's core private equity managers returning to the market to fundraise at the same time. Consequently, we expect that the Company will commit less capital to primary funds in FY20.

Fund	Amount committed (£m)	Description	Rationale for investing
Altor V	30.7	€2.5bn fund investing in companies operating in the mid-market segment of the Nordic region.	Strong position in the Nordic mid-market with an ability to create value by driving operational change in its underlying portfolio companies. See case study for more detail.
Triton V	26.4	€5.0bn fund focused on predominantly mid-market companies based in German speaking and Nordic countries.	Long-standing, value-focused investor that can pivot its strategy depending on the market cycle and create operational value in its companies via its own in-house consultancy group.
IK IX	22.4	A €2.5bn fund investing in Northern Europe based mid-market companies.	Long-standing mid-market investor with deep sector expertise, strong networks in its chosen geographies and an investment strategy honed over 30 years.
Cinven 7	21.6	A €10.0bn fund focused primarily on upper mid-market European companies.	Deep networks and sector knowledge built over 25 years as an independent firm and an investment strategy that focuses on building 'recession-resilient' portfolios.
Advent GPE IX	21.4	A €17.5bn fund investing in upper mid-market companies across the globe.	Global private equity manager with deep sector coverage, experienced investment and operational teams and persistent top quartile performance across cycles.
Investindustrial VII	21.5	€2.4bn fund focused on European companies in the mid-market, with a Southern European weighting.	The leading mid-market private equity manager focused on Southern Europe.
American Industrial Partners Fund VII	15.3	$3.1bn fund focused on underperforming industrial businesses in North America.	Industrial sector specialist with proven ability to drive operational change in its underlying portfolio companies. See case study for further detail.
Great Hill Partners VII	9.4	A $2.5bn fund focused primarily on mid-market tech-enabled North American companies.	Technology-specialist, growth-focused investor with a track record built over 20 years. Incorporated lessons learned from the global financial crisis to further strengthen its performance.

Strategic Report

Manager's Report

Primary investment activity

Founded in 2002, Altor focuses on private equity activities in the Nordic mid-market.

Business overview

The Altor team comprises over 30 investment professionals with the scale and skill set to execute, actively manage and build significant value in a portfolio of investments. Aiming to double portfolio companies' earnings, Altor's strategy has been consistent since the start, targeting situations where it can capitalise on the team's experience with complex transactions involving the potential for fundamental performance improvement.

Previous / current investments

Why we invested

- Strong market position in the Nordic mid-market
- Active owner driving value creation through improving key operational metrics to bring companies in line with best-in-class peers whilst doubling earnings
- Incredibly experienced team with lessons learnt during the financial crisis
- Attractive entry multiples in comparison to peers

Investment **Altor Fund V**	Target company size **Mid-market**
Fund size **€2.5bn**	Geographic focus **Nordics and DACH**
SLPET's commitment **€35m**	Sectors **Generalist**
Commitment year **2019**	Investment strategy **Buyout**

New York based private equity firm that targets mid-market tech-enabled industrial businesses headquartered in North America.

Business overview

AIP was established in 1989 and the AIP team now consists of over 40 professionals primarily comprised of engineers and operators but also includes financial professionals with extensive experience structuring and executing complex transactions.

Previous / current investments

Why we invested

- AIP is an experienced industrials manager with a unique focus on operational improvements and a team comprised predominantly of engineers and operators
- AIP's value-added, hands-on reputation, coupled with a newly formed credit team, creates an advantaged sourcing engine
- Fund VII will also prioritise businesses with non-cyclical end-markets and stickier business models, providing comfort that Fund VII can build on AIP's existing track record

Investment **American Industrial Partners VII**	Target company size **Mid-market**
Fund size **$3.1bn**	Geographic focus **North America**
SLPET's commitment **$20m**	Sectors **Industrials**
Commitment year **2019**	Investment strategy **Buyout**

Strategic Report

Manager's Report

Secondary investment activity

Investment	Exposure acquired[1] £m	Description	Rationale for investing
3i Eurofund V	6.6	Acquisition of a single interest in 3i Eurofund V, a €5.0bn European mid-market buyout fund.	Strong conviction around the prospects of the key remaining underlying company (Action), which has potential to further expand its store footprint and create additional value.
Vitruvian Continuation Vehicle	19.0	Restructuring of Vitruvian Investment Partnership I, a €925m European mid-market buyout fund.	A growth-focused buyout fund with a strong technology sector angle and attractive value creation potential across the underlying portfolio of 5 companies.
Portfolio of buyout fund interests	22.0	Acquisition of a portfolio of four fund interests where the majority of exposure was to IK VII & VIII (both existing funds held by SLPET). The other two interests acquired were in Gilde IV and Steadfast III.	An attractive portfolio offering both early liquidity from the mature interests and longer term value accretion from the younger exposure, as well as being highly complementary to the Company's existing holdings.

[1] Exposure acquired equals purchase price plus any unfunded commitment.

During the year, the Company acquired £47.6m of exposure through buying established funds in the secondary market. In addition to offering attractive investment returns, secondaries are also used to fill gaps in the SLPET portfolio, to gain access to new managers, and as an efficient means of redeploying sale proceeds from underlying portfolio company sales.

Whereas most of SLPET's previous secondary investments have comprised purchases of single interests in funds (as was also the case for the recent 3i Eurofund V purchase), this was the first time that SLPET has acquired a portfolio of fund interests managed by different buyout firms. Furthermore, the Vitruvian Continuation Vehicle transaction was the first fund restructuring in which the Company has participated. With the continued increase in size and quality of general partner-led secondaries such as the Vitruvian transaction, we would anticipate this area will offer further attractive opportunities for SLPET in the coming months and years.

As part of its active portfolio management and to improve its exposure by vintage year, in early 2019 SLPET launched a process to sell interests in 17 mature secondary and buyout funds where there was deemed to be limited upside. The sale was structured in two tranches, with the secondary fund interests sold to one buyer in June 2019 and the buyout fund interests sold to another buyer in September 2019. In aggregate, the agreed sale price was equivalent to a 5% discount to the 31 December 2018 valuation (£49.7m), adjusted for subsequent cash flows. These fund interests held outstanding commitments of £32.6m as at 31 December 2018 which have since been released.

During the year we also raised £33.3m from the sale of listed positions. The net realised and unrealised gains, including dividend receipts, from the quoted portfolio amounted to 2.0p per share (2018: 0.2p). The remaining positions, which represented 1.6% of net assets at the year end, were sold in the first two months following the end of the financial year.

Strategic Report

Manager's Report

Co-investment activity

In January 2019 the investment objective of SLPET was broadened to include the ability to invest in co-investments, thereby benefitting from ASI's long track record of successful investing in this strategy.

The type of co-investments targeted by the Manager for SLPET are those that have a complementary investment profile to the Company's existing underlying assets. They help the Company deploy cash more quickly and also typically exhibit shorter investment periods than funds. Co-investments also give the Manager more control over asset selection, allowing it to actively increase the Company's exposure to certain sectors or geographic regions, for example. Importantly, co-investments sourced by the Manager typically have no, or reduced, fees and carried interest payable to the lead private equity manager, further enhancing the cash returns received by the Company.

The Company's first co-investment was made alongside the lead manager IK Investment Partners, and is a commitment to invest up to €6m in Mademoiselle Desserts, a leading European manufacturer of premium frozen pastries. At the year-end €4m / £3.5m had been invested and the business is trading to plan.

A leading European manufacturer of premium frozen pastry

Company overview

Established in 1984, Mademoiselle Desserts ('MD') is a leading European manufacturer of premium frozen pastries. The Group offers an extensive product range including US and European desserts to a diverse customer base. MD has completed 9 acquisitions to date including 2 under IK's ownership, Michel Kremer Pastry and Les Délices des 7 Vallées. These provided MD exposure to complementary, high growth categories thereby positioning the business to the most attractive product verticals in the market. MD benefits from market leading positions in France and the UK.

Lead manager
IK

SLPET's Investment
€4m /£3.5m

Committed
€6m /£5.3m

Investment year
2019

Company size
Mid-market

Geographic focus
Europe

Sector
Consumer Goods

Strategic Report

Manager's Report

Outlook

Current macroeconomic risks to private equity returns include US-China tensions, Brexit and the threat of a recession. Private equity is subject to the same risks as the wider market but has shown resilience versus other asset classes in the past and has consistently outperformed the listed markets throughout economic cycles. We expect this relationship to persist into the future.

We remain confident that private equity markets offer continued opportunity for value creation. Private equity managers are proving to be astute stewards of a diverse spectrum of companies, and market forces mean that these assets can, and likely will, stay in private hands for longer (as the number of publicly-listed companies continues to shrink). The best private equity managers can support the growth and development of emerging small and mid-market companies, whether that is in terms of ESG, digitalisation, operational improvement, professionalisation, innovation or internationalisation.

We recognise that the private equity market is currently very competitive due to record levels of dry powder. Asset-price inflation is a significant factor when considering new investments in today's market. However, the weight of capital continues to flow primarily into those managers focused at the large and mega-cap end of the market, pushing up valuations in that segment to what we consider to be relatively expensive levels and making it harder to generate outsized returns.

By contrast, the Company continues to focus on the mid-market segment in Europe which is not accumulating dry powder at the same rate as the large / mega-cap space. Furthermore, the mid-market remains a deep and fragmented pool of investment opportunities with greater potential for sensible pricing and more rapid value creation. We continue to believe that strong, attractive returns will be driven by mid-market private equity managers that exhibit differentiated deal sourcing and value creation capabilities.

SL Capital Partners LLP

8 January 2020

Strategic Report

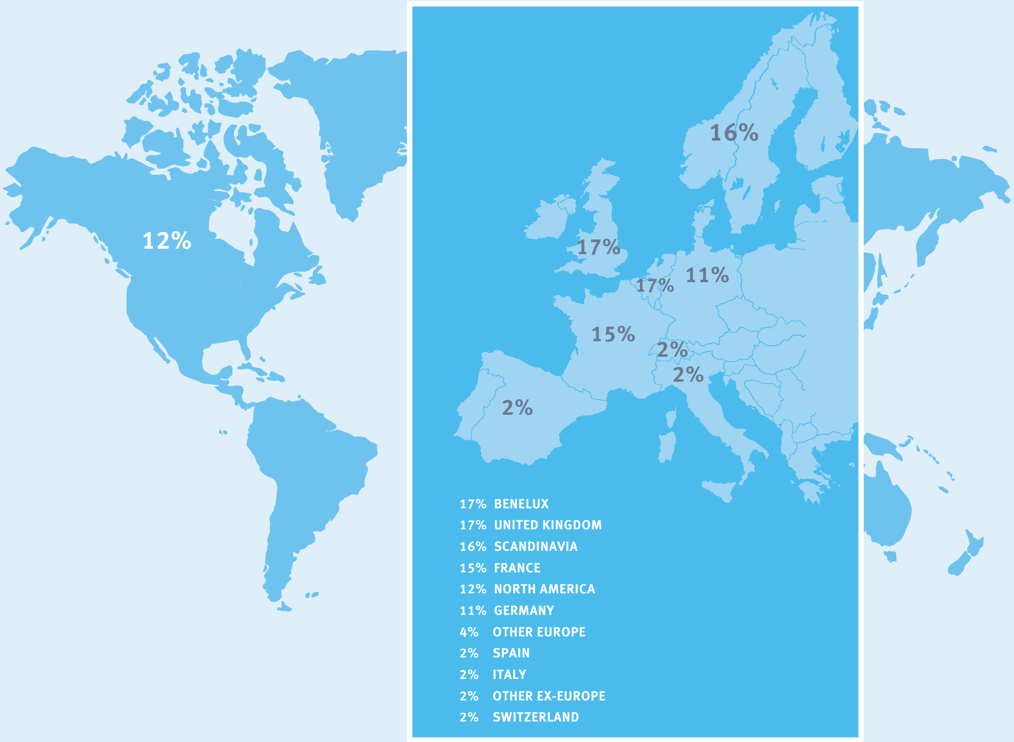
Manager's Report

Portfolio construction

Geographic exposure

At the year end, 86% of underlying private companies were headquartered in Europe and this will continue to be the case over the short to medium term, with the balance mainly headquartered in North America.

We believe that the portfolio is diversified and well positioned to mitigate a potential deterioration in macroeconomic conditions. Brexit, for example, has the potential to impact growth in the Company's underlying portfolio but we note that UK-headquartered companies amount to only 17% of the portfolio and most of these businesses have pan-European or globally diversified revenue bases.



The portfolio remains skewed towards Northern Europe. SLPET has historically been underweight in Southern Europe due to the relative immaturity and underperformance of its private equity market compared to other European regions. However, over recent years the private equity market dynamics have improved and we have increased our exposure to the region. Consequently, we have made two primary fund commitments to Southern European-focused funds (Investindustrial Growth and Investindustrial VII), totalling €50m. We also continue to selectively increase our North American mid-market exposure via recent commitments to American Industrial Partners VII and Great Hill Partners VII, which will modestly grow the Company's exposure to the region as we move forward.

Strategic Report

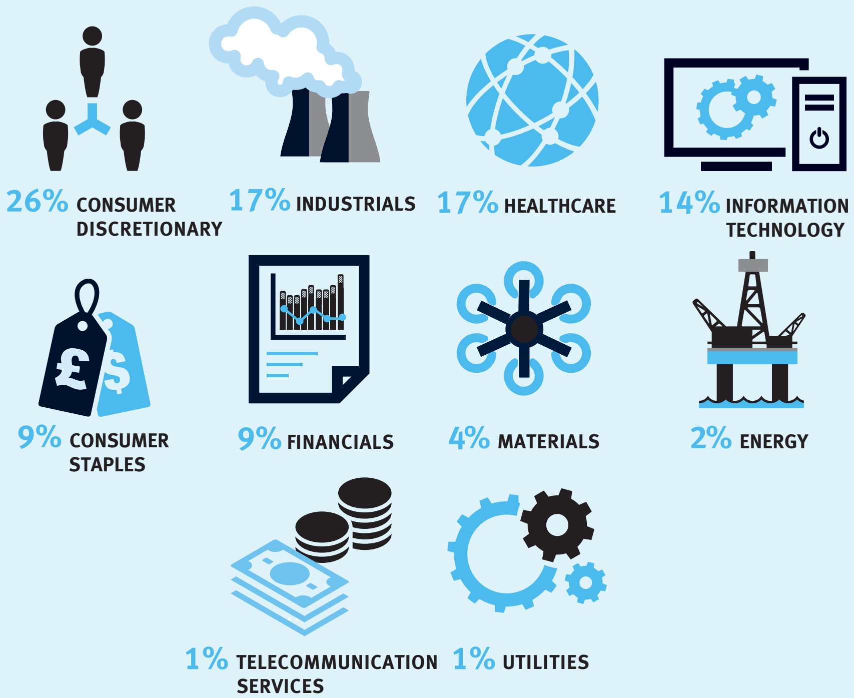
Manager's Report

Portfolio construction

Sector exposure

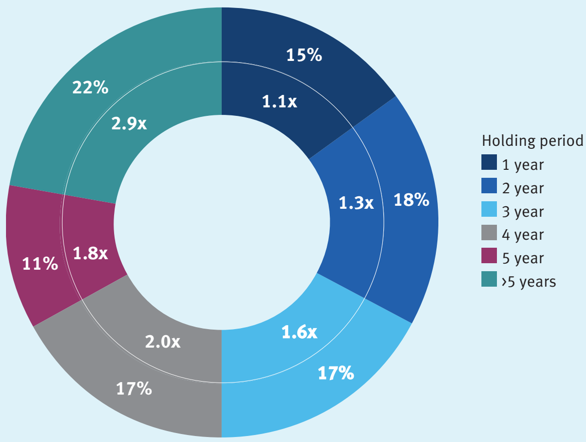
Over recent years the portfolio has shifted towards resilient and defensive areas, such as Information Technology and Healthcare. 2019 has seen a continuation in this trend as private equity managers begin positioning their portfolio for potentially more volatile macroeconomic conditions. Whilst Industrials remain a significant part of the portfolio, it is worth noting that its weighting has declined from 22% to 17% during the year.

Consumer Discretionary and Staples remain a significant part of the portfolio at a combined 35%, broadly in line with prior year. This weighting represents the size of the sector in Europe more generally whilst also representing the success that private equity managers have had, and continue to have, in this area.



Maturity analysis

With 50% of the underlying portfolio having been held for four years or more, near-term realisations and distributions are expected to remain strong. While the make-up of the portfolio in terms of vintages is largely unchanged from last year, it is encouraging to note that the valuations of the older vintages have improved significantly. In 2018 investments of over 5 years were valued at 1.9 times cost, whereas today the figure is 2.9 times cost. The figure is skewed by exceptionally strong investment performance in Action (3i Eurofund V), TeamViewer and Dr. Martens (both Permira V), to name a few. We have also seen material upward valuations on the 4 and 5 year portions of the portfolio compared to last year.



Portfolio Overview

Largest 10 funds at 30 September 2019

1

7.7% of NAV

Fund Size: €5.0bn
Strategy: Mid-market buyouts
Enterprise Value of investments: €50m-€500m
Geography: Europe
Offices: London, Madrid, Amsterdam, Frankfurt, Paris, New York, Mumbai, Singapore
Website: www.3i.com

A leading international investor focused on investing in European mid-market businesses with international growth potential

3i Eurofund V[1]	30/9/19	30/9/18
Value (£'000)	54,748	37,545
Cost (£'000)	11,215	10,049
Commitment (€'000)	69,000	60,000
Amount Funded	97.2%	96.7%
Income (£'000)	13	-

2

6.3% of NAV

Fund Size: €13.0bn
Strategy: Mid to large buyouts
Enterprise Value of investments: $200m-$3bn
Geography: Global with a focus on Europe and North America
Offices: Sao Paulo, Bogota, Paris, Frankfurt, Hong Kong, Shanghai, Mumbai, Luxembourg, Mexico City, Lima, Madrid, London, Boston and New York.
Website: www.adventinternational.com

Invests in attractive niches within business & financial services, healthcare, industrial, retail and technology sectors

Advent International Global Private Equity VIII - EUR	30/9/19	30/9/18
Value (£'000)	44,484	29,391
Cost (£'000)	34,431	25,718
Commitment (€'000)	45,000	45,000
Amount Funded	87.2%	64.9%
Income (£'000)	-	-

3

5.8% of NAV

Fund Size: €1.9bn
Strategy: Mid-market buyouts
Enterprise Value of investments: €100m-€500m
Geography: Northern Europe
Offices: Stockholm, Hamburg, Paris, London
Website: www.ikinvest.com

Invests in growth strategies supporting business transformation. Unique Northern Continental European footprint

IK Fund VIII	30/9/19	30/9/18
Value (£'000)	41,165	20,142
Cost (£'000)	32,483	17,848
Commitment (€'000)	46,000	34,000
Amount Funded	81.1%	59.4%
Income (£'000)	61	-

4

5.6% of NAV

Fund Size: €1.4bn
Strategy: Mid-market buyouts
Enterprise Value of investments: €100m-€500m
Geography: Northern Europe
Offices: Stockholm, Hamburg, Paris, London
Website: www.ikinvest.com

Invests in growth strategies supporting business transformation. Unique Northern Continental European footprint

IK Fund VII	30/9/19	30/9/18
Value (£'000)	40,063	37,887
Cost (£'000)	24,795	20,705
Commitment (€'000)	42,000	36,000
Amount Funded	94.0%	95.2%
Income (£'000)	-	113

5

5.5% of NAV

Fund size: €5.0bn
Strategy: Mid to large buyouts
Enterprise Value of investments: €500m–€3bn
Geography: Global
Offices: London, Frankfurt, Madrid, Milan, Paris, Stockholm, New York, Menlo Park, Hong Kong, Seoul, Shanghai, Tokyo
Website: www.permira.com

Focused on identifying investments in market leading businesses with strong growth potential. Sector approach transforming companies to become global leaders

Permira V	30/9/19	30/9/18
Value (£'000)	39,060	30,208
Cost (£'000)	18,144	18,735
Commitment (€'000)	30,000	30,000
Amount Funded	90.5%	83.8%
Income (£'000)	-	-

1 Most of the exposure to 3i Eurofund V is through the investment in Action (see page 30).

Strategic Report

Portfolio Overview

Largest 10 funds at 30 September 2019

6

5.3% of NAV

NORDIC CAPITAL

Fund size: €3.6bn
Strategy: Complex buyouts and Global Healthcare
Enterprise Value of investments: €150m–€800m
Geography: Northern Europe
Offices: Stockholm, Oslo, Helsiknki, Copenhagen, London, Frankfurt
Website: www.nordiccapital.com

* Amount funded is net of recyclable amounts

Invests in and develops enduring companies that create long term value focused on medium to large buyouts. Also invests in global healthcare companies

Nordic Capital VIII	30/9/19	30/9/18
Value (£'000)	37,745	45,610
Cost (£'000)	23,063	35,206
Commitment (€'000)	45,200	45,200
Amount Funded	38.9%*	82.7%
Income (£'000)	-	-

7

4.7% of NAV

ALTOR FUNDS

Fund Size: €2.1bn
Strategy: Mid-market buyouts
Enterprise Value of investments: €50m-€500m
Geography: Northern Europe
Offices: Stockholm
Website: www.altor.com

Focuses on investing in and developing medium-sized companies with a Nordic origin that offer potential for value creation through revenue growth, margin expansion, improved capital management and strategic re-positioning

Altor Fund IV	30/9/19	30/9/18
Value (£'000)	33,453	28,700
Cost (£'000)	28,519	21,579
Commitment (€'000)	55,000	55,000
Amount Funded	61.0%	46.8%
Income (£'000)	111	-

8

4.7% of NAV

Exponent

Fund Size: £1.0bn
Strategy: Mid-market buyouts
Enterprise Value of investments: £75m-£350m
Geography: UK
Offices: London
Website: www.exponentpe.com

Target businesses have strong market positions, evidence of historical constraints and are capable of transformation. Companies often have a significant international footprint

Exponent Private Equity Partners III, LP.	30/9/19	30/9/18
Value (£'000)	33,412	31,642
Cost (£'000)	26,128	25,700
Commitment (£'000)	28,000	28,000
Amount Funded	93.3%	91.7%
Income (£'000)	9	-

9

4.4% of NAV

Bridgepoint

Fund Size: €4.0bn
Strategy: Mid-market buyouts
Enterprise Value of investments: €200m-€1bn
Geography: Europe
Offices: Amsterdam, Frankfurt, Istanbul, London, Luxembourg, Madrid, New York, Paris, San Francisco, Shanghai, Stockholm, Warsaw
Website: www.bridgepoint.eu

A leading mid-market focused private equity firm targeting buyout investments in European companies with strong market positions and earnings growth potential across six core sectors

Bridgepoint Europe V	30/9/19	30/9/18
Value (£'000)	31,515	25,444
Cost (£'000)	25,279	21,672
Commitment (€'000)	35,000	35,000
Amount Funded	93.5%	77.4%
Income (£'000)	357	-

10

3.9% of NAV

CVC CAPITAL PARTNERS

Fund Size: £10.5bn
Strategy: Mid to large buyouts
Enterprise Value of investments: £300m-£500m
Geography: Europe and North America
Offices: London, Paris, Frankfurt, Amsterdam, Brussels, Copenhagen, Madrid, Milan, Stockholm, Jersey, Luxembourg, Zurich, New York, Asia
Website: www.cvc.com

Undertakes medium and large sized buyout transactions across a range of industries and geographies

CVC VI	30/9/19	30/9/18
Value (£'000)	27,690	22,923
Cost (£'000)	17,319	17,776
Commitment (€'000)	30,000	30,000
Amount Funded	97.4%	87.0%
Income (£'000)	90	125

Strategic Report

Portfolio Overview

Largest 10 underlying private companies [1] at 30 September 2019

1

7.7% of NAV

ACTION [2,3]

Sector: Consumer discretionary
Location: Netherlands
Year of Investment: 2011
Private Equity Fund Manager: 3i Group plc
Fund Investment: 3i Eurofund V
Company Website: www.action.nl

Since its establishment in 1993, Benelux-based Action has grown into the leading non-food discount retailer in the region with more than 1,300 stores and over 46,000 employees. The business generates sales of over €4.2bn per annum.

2

1.6% of NAV

TeamViewer

Sector: Information technology
Location: Germany
Year of Investment: 2014
Private Equity Fund Manager: Permira
Fund Investment: Permira V
Company Website: www.teamviewer.com

Founded in 2005 and headquartered near Stuttgart, Germany, TeamViewer is a leading global provider of secure remote support software with a focus on the small and medium business market. The company offers an easy-to-install-and-use solution encompassing remote access administration, multi-user web-conferencing, desktop and file sharing.

3

1.1% of NAV

Trustly

Sector: Financials
Location: Sweden
Year of Investment: 2018
Private Equity Fund Manager: Nordic Capital
Fund Investment: Nordic Capital Fund IX
Company Website: www.trustly.com

Trustly is the leading next-generation direct payment provider, enabling fast, simple and secure account-to-account payments. It is an online payment provider that enables direct account-to-account payments, in partnership with merchants across Europe.

4

1.0% of NAV

handicare

Sector: Healthcare
Location: Sweden
Year of Investment: 2010
Private Equity Fund Manager: Nordic Capital
Fund Investment: Nordic Capital VII
Company Website: www.handicare.com

Handicare was founded in 1986 and supplies technical aids for the elderly and physically disabled. Its products include homecare products (such as stairlifts), patient handling and bathroom safety products, and personal transfer and automobile adaptation solutions.

5

0.9% of NAV

Norican Group
shaping industry

Sector: Industrials
Location: Denmark
Year of Investment: 2015
Private Equity Fund Manager: Altor Funds
Fund Investment: Altor Fund IV
Company Website: www.noricangroup.com

Norican is a leading global provider of a broad equipment and services portfolio to the metallic parts formation and preparation industries. The company has a diversified customer base spanning more than 10,000 active customers in almost 100 countries in 30 end-markets. The company develops innovative and cost-efficient solutions that fit customers individual needs from a global footprint.

Strategic Report

Portfolio Overview

Largest 10 underlying private companies [1] at 30 September 2019

6

0.9%
of NAV

Sector: Healthcare
Location: USA
Year of Investment: 2016
Private Equity Fund Manager: TowerBrook Investors
Fund Investment: TowerBrook Investors IV
Company Website: www.r1rcm.com

R1 RCM, headquartered in Chicago, provides outsourced revenue cycle management services that help healthcare providers to more efficiently and cost effectively manage their revenue cycles through people, processes and integrated technology and analytics solutions. The company offers a fully outsourced end-to-end-technology enabled solution, which spans the entire revenue cycle from patient registration to collection from patients and third-party payors.

7

0.9%
of NAV

Sector: Healthcare
Location: USA
Year of Investment: 2016
Private Equity Fund Manager: Nordic Capital
Fund Investment: Nordic Capital VIII
Company Website: www.ert.com

ERT is a global data and technology company that minimises risk and uncertainty in clinical trials. With nearly 50 years of combined clinical, therapeutic and regulatory experience as well as technology and process-related insights, it has supported more than 13,000 clinical studies to date.

8

0.9%
of NAV

Sector: Consumer staples
Location: France
Year of Investment: fund investment: 2018
co-investment: 2019
Private Equity Fund Manager: IK Investment Partners
Fund Investment: IK Fund VIII (also held as a co-investment)
Company Website: www.mademoiselledesserts.com

Established in 1984, Mademoiselle Desserts has grown to become the leading manufacturer of premium frozen industrial finished and semi-finished pastry in Europe. Through its manufacturing sites in France, the UK and the Netherlands and highly experienced teams, the Group works closely with its customers to develop bespoke desserts to the highest food standards.

9

0.9%
of NAV

Sector: Consumer discretionary
Location: France
Year of Investment: 2016
Private Equity Fund Manager: PAI Partners
Fund Investment: PAI Europe VI
Company Website: www.hotel-bb.com

B&B Hotels is a leading budget & economy hotel chain in Europe, which addresses both business and leisure customers.

10

0.8%
of NAV

Sector: Industrials
Location: France
Year of Investment: 2016
Private Equity Fund Manager: TowerBrook Investors
Fund Investment: TowerBrook Investors IV
Company Website: www.infopro-digital.com

Infopro Digital's's mission is to provide professional communities with a full range of business solutions to help them be more efficient and generate better and growing sales opportunities, leveraging its expertise in managing data around its portfolio of leading brands across six key industry verticals.

1 Apart from Mademoiselle Desserts, which is a co-investment and therefore held directly by the Company in addition to being held via IK VIII, the other underlying private companies above are held through the Company's fund investments.
2 Most of the exposure to 3i Eurofund V is through the investment in Action (see page 30).
3 With the exception of Action, which has delivered exceptional performance and is valued as a % of NAV net of carry provision, all % of NAV figures are based on gross valuations, before any carry provision. Action is the sole remaining material investment held in the 3i Eurofund V fund.

Portfolio Overview

Portfolio of investments
at 30 September 2019

Vintage	Investment	Number of investments	Outstanding commitments £'000	Cost £'000	Valuation £'000 [1]	Net multiple [2] GBP (X)	% of NAV
2006	3i Eurofund V	2	1,753	11,215	54,748	2.7x	7.7
2016	Advent International Global Private Equity VIII - EUR	30	5,115	34,431	44,484	1.3x	6.3
2016	IK Fund VIII	12	7,726	32,483	41,165	1.3x	5.8
2012	IK Fund VII	12	1,768	24,795	40,063	1.9x	5.6
2014	Permira V	16	2,558	18,144	39,060	2.7x	5.5
2013	Nordic Capital VIII	14	24,451	23,063	37,745	1.8x	5.3
2014	Altor Fund IV	19	18,981	28,519	33,453	1.2x	4.7
2015	Exponent Private Equity Partners III, LP.	11	1,885	26,128	33,412	1.3x	4.7
2015	Bridgepoint Europe V	15	2,030	25,279	31,515	1.3x	4.4
2014	CVC VI	28	1,462	17,319	27,690	1.6x	3.9
2014	PAI Europe VI	14	2,972	23,112	25,022	1.4x	3.5
2013	TowerBrook Investors IV	15	8,234	16,122	23,652	1.6x	3.3
2015	Equistone Partners Europe Fund V	22	3,803	20,358	21,694	1.1x	3.1
2016	Astorg VI	10	4,269	15,805	18,232	1.2x	2.6
2008	Nordic Capital VII	2	3,344	22,878	17,577	1.4x	2.5
2016	Sixth Cinven Fund *	14	9,928	14,952	16,412	1.1x	2.3
2018	Investindustrial Growth	6	8,205	13,975	15,752	1.1x	2.2
2012	Advent International Global Private Equity VII	23	1,239	9,460	15,711	2.1x	2.2
2014	Onex Partners IV LP	13	716	13,008	13,083	1.1x	1.8
2019	VIP I CF LP	-	8,983	10,063	9,981	1.0x	1.4
2012	Equistone Partners Europe Fund IV	11	906	10,863	9,057	2.2x	1.3
2017	HgCapital 8	7	15,358	6,654	7,894	1.2x	1.1
2018	Nordic Capital Fund IX	11	21,828	4,672	6,205	1.3x	0.9
2017	CVC Capital Partners VII	14	26,068	4,849	6,103	1.3x	0.9
2011	Montagu IV	4	2,129	5,060	5,728	1.9x	0.8
2008	CVC V	11	441	6,598	5,047	2.3x	0.7
2018	Equistone VI	13	21,699	4,909	4,156	0.8x	0.6
2019	Mademoiselle Desserts [3]	1	1,754	3,522	3,454	1.0x	0.5
2018	Bridgepoint Europe VI	4	22,944	3,565	3,113	0.9x	0.4
2008	Bridgepoint Europe IV	9	908	4,067	2,849	1.6x	0.4
2007	Terra Firma Capital Partners III	5	120	19,358	2,843	0.6x	0.4
2011	Steadfast Capital III	3	214	1,995	2,084	1.0x	0.3
2001	CVC III *	1	337	4,283	1,861	2.7x	0.3
2011	Gilde Buyout Fund IV	7	-	2,430	1,840	0.8x	0.3
2018	PAI Europe VII	-	24,335	2,223	1,534	0.7x	0.2
2006	HgCapital 5	1	213	6,578	1,073	1.7x	0.2
2007	Equistone Partners Europe Fund III	2	1,443	6,909	1,040	1.7x	0.1
2007	Industri Kapital 2007 Fund	2	1,536	6,204	464	1.4x	0.1
2018	MSouth Equity Partners IV	1	16,921	531	416	0.8x	0.1
2019	Investindustrial VII	-	21,989	128	86	0.7x	-
2019	Great Hill Partners VII	-	9,738	23	-	0.0x	-
2019	Advent International Global Private Equity IX - EUR	-	22,117	7	-	0.0x	-
2019	IK IX	-	22,117	11	-	0.0x	-
2018	Triton Fund V	-	26,540	11	-	0.0x	-
2019	Altor Fund V	-	30,832	143	-	0.0x	-
2003	Industri Kapital 2004 Fund *	-	15	-	-	2.4x	-
2019	American Industrial Partners VII	-	16,230	15	-	0.0x	-
2019	Cinven 7	-	22,117	12	-	0.0x	-
	Total investments [4]	**385**	**450,272**	**506,729**	**627,298**		**88.4**
	Oakley Capital Investments			6,798	6,832		1.0
	NB Private Equity Partners			2,806	3,215		0.4
	Onex Corp			1,515	1,388		0.2
	Total quoted securities			**11,119**	**11,435**		**1.6**
	Non-portfolio assets less liabilities				71,350		10.0
	Total shareholders' funds				**710,083**		**100.0**

[1] All funds are valued by the manager of the relevant fund or co-investment as at 30 September 2019, with the exception of those funds suffixed with an * which are valued as at 30 June 2019. Quoted investments are valued in accordance with the Company's accounting policies.
[2] The net multiple has been calculated by the Manager in sterling on the basis of the total realised and unrealised return for the interest held in each fund and co-investment. These figures have not been reviewed or approved by the relevant fund or its manager.
[3] Co-investment position.
[4] The 385 underlying investments represent holdings in 378 separate companies.

Strategic Report

Portfolio Overview

Top 30 underlying private company investments at 30 September 2019

The table below summarises the top 30 underlying private company investments, by value, in the Company's portfolio of private equity funds.

Entity	Description	Investment	Year of Investment	% of NAV[1]
Action	Non-food discount retailer	3i Eurofund V	2011	7.7%
Teamviewer	Computer software	Permira V	2014	1.6%
Trustly	Online payment provider	Nordic Capital Fund IX	2018	1.1%
Handicare	Mobility solutions for disabled and elderly	Nordic Capital VII	2010	1.0%
Norican	Metallic parts formation and preparation industry	Altor Fund IV	2015	0.9%
R1 RCM	Physician advisory provider	TowerBrook Investors IV	2016	0.9%
ERT	Data collection solutions for clinical trials	Nordic Capital VIII	2016	0.9%
Mademoiselle Desserts[2]	Dessert and confectionery producer	IK Fund VIII	2018, 2019	0.9%
B & B Hotels	Network chain of budget hotels	PAI Europe VI	2016	0.9%
Infopro Digital	B2B professional information services	TowerBrook Investors IV	2016	0.8%
TELECOMP	Centralised IT operations, outsourcing and systems integration	IK Fund VII	2016	0.8%
Benvic	A PVC compounder that develops, produces and markets high quality, innovative PVC-based solutions	Investindustrial Growth	2018	0.8%
CERELIA	Manufacturer of ready to use dough	IK Fund VII	2015	0.8%
Vizrt	Professional software for real-time media	Nordic Capital VIII	2015	0.8%
Informatica	Enterprise data integration	Permira V	2015	0.7%
Dr. Martens	Global footwear brand	Permira V	2014	0.7%
Copal International Sarl	Cleaning agents and disinfectants	IK Fund VII	2016	0.7%
SALAD	Private label food franchise	IK Fund VII	2016	0.7%
EXXELIA	Manufacturer of customised electronic components	IK Fund VII	2014	0.7%
Alloheim	Private care home operator	Nordic Capital VIII	2018	0.7%
Colisee	Elderly care	IK Fund VIII	2017	0.7%
BIGBUS	A global provider of sightseeing bus tours	Exponent Private Equity Partners III, LP.	2015	0.6%
Transcom	Customer management specialist	Altor Fund IV	2015	0.6%
Photobox.com	Online photo laboratory	Exponent Private Equity Partners III, LP.	2016	0.6%
Brammer	Distributor of industrial maintenance, repair and overhaul products	Advent International Global Private Equity VIII - EUR	2017	0.6%
CCCIS	Software provider to automotive collision repairers, parts suppliers and insurers	Advent International Global Private Equity VIII - EUR	2017	0.6%
Clarivate Analytics	Data, analytical tools and services	Onex Partners IV LP	2016	0.6%
P&I	HR software solutions	Permira V	2016	0.6%
Culligan	Global provider of water softening and purification equipment and services	Advent International Global Private Equity VIII - EUR	2016	0.6%
Element	Materials testing	Bridgepoint Europe V	2016	0.6%

[1] With the exception of Action, which has delivered exceptional performance and is valued as a % of NAV net of carry provision, all % of NAV figures are based on gross valuations, before any carry provision. Action is the sole remaining material investment held in the 3i Eurofund V fund.
[2] Mademoiselle Desserts is held through the IK VIII fund as well as through a co-investment with IK Investment Partners.

Governance

Board of Directors

The Board of Directors of the Company is highly experienced with extensive knowledge and understanding of investment trusts, private equity and the financial services sector. The Board works closely with the Manager, SL Capital Partners, to deliver shareholder value. The Board is responsible for stewardship, including overall strategy, investment policy, borrowings, dividends, corporate governance procedures and risk management.

Governance

Board of Directors

Christina McComb, OBE[1]

Christina McComb was appointed on 29 January 2013, and assumed the role of Chair on 1 January 2019. Christina has over 25 years' experience of investing in growth companies, having spent much of her career at leading private equity firm 3i Group plc. She is currently Chair of financial mutual OneFamily and is Senior Independent Director of the British Business Bank, the government-owned development bank supporting access to finance for UK SMEs. She is also Senior Independent Director of Big Society Capital, the UK's leading social investment fund and a Non-executive Director of Nexeon Limited and Trustee of NESTA.

Jonathon Bond

Jonathon Bond was appointed on 15 June 2018. Jonathon has over 30 years' experience in the private equity industry with a particular focus on raising standards of governance and performance. He has extensive international and general management experience, having served on the board of several significant businesses. Jonathon is Senior Independent Director and member of the Audit and Risk, Remuneration and Nomination Committees of Jupiter Fund Management PLC, Chairman of Grosvenor Britain & Ireland Limited and is a Non-executive Director of Scottish Widows Limited.

Alan Devine[2]

Alan Devine was appointed on 28 May 2014, and assumed the role of Senior Independent Director on 1 January 2019. He holds an MBA and is a Fellow of the Institute of Bankers in Scotland. Alan was formerly CEO of the Royal Bank of Scotland Shipping Group and has a wide background of knowledge and over 40 years' experience in both commercial and investment banking. Alan is a Non-executive Director of two Irish companies; Capital Flow Holdings DAC where he is Chairman of the Remuneration and Audit Committees and Chairman of the private equity owned Irish based logistics company known as GSLS. He is also a Non-executive Director of Castle Rock Edinvar.

Diane Seymour-Williams

Diane Seymour-Williams was appointed on 7 June 2017. Diane is a Non-executive Director of Brooks Macdonald Group plc and PraxisIFM Group Limited, and is a Director of Acorn Capital Advisers Limited. Diane worked at Deutsche Asset Management Group (previously Morgan Grenfell) for 23 years where she held various senior positions, including CIO and CEO for Asia. More recently, she spent nine years at LGM Investments, a specialist global emerging and frontier markets equities manager, where she was Global Head of Relationship Management.

Calum Thomson, FCA[3]

Calum Thomson was appointed on 30 November 2017. Calum is a qualified chartered accountant and was an audit partner with Deloitte LLP for over 21 years. Calum is a Non-executive Director and the Audit Committee chair of the Diverse Income Trust plc, the AVI Global Trust plc and Barings Emerging Europe plc. He is also a Non-executive Director and Audit Committee chair of BLME Holdings Plc and the Adam Smith Advisory Group Ltd and Chairman of trustees of La Serenissima.

Footnotes
[1] Christina McComb is Chair of the Management Engagement and Nominations Committees.
[2] Alan Devine is the Senior Independent Director.
[3] Calum Thomson is Chair of the Audit Committee.
All of the directors are members of the Audit, Management Engagement and Nominations Committees.

Governance

Directors' Report

The directors present their report and the audited financial statements for Standard Life Private Equity Trust plc for the year ended 30 September 2019.

Principal activity and status

Standard Life Private Equity Trust plc is a public company limited by shares, incorporated in the United Kingdom. It carries on business as an investment trust and is a member of the Association of Investment Companies.

The Company has been approved as an investment trust by HM Revenue & Customs for all accounting periods commencing on or after 1 October 2012, subject to the Company continuing to meet the eligibility conditions in Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements for approved companies in Chapter 3 of Part 2 Investment Trust (Approved Company) (Tax) Regulations 2011 (Statutory Instruments 2011/2999). The Company's registration number is SC216638.

The Company constitutes an alternative investment fund under the Alternative Investment Fund Managers ("AIFM") Directive. In accordance with the requirements, the Company has appointed SL Capital Partners LLP as its Manager and AIFM and IQ EQ Depositary Company (UK) Limited as its Depositary. The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments and monitoring the Company's compliance with investment limits and leverage requirements.

Directors

The names and short biographies of the directors of the Company, all of whom are non-executive, at the date of this report are shown on page 35. The Board consists of three male and two female directors. The directors' interests in the share capital of the Company at 30 September 2019 are shown in the table on page 39.

In accordance with the Company's policy of annual re-election, all directors will stand for re-election at the forthcoming Annual General Meeting ("AGM"). The Board supports the re-election of the directors for the reasons described in the Corporate Governance section of this Annual Report on pages 41 to 43.

The Board is independent of the Manager, SL Capital Partners LLP; the Manager's ultimate parent, Standard Life Aberdeen plc and Phoenix Group Holdings, the Company's largest shareholder.

No contract or arrangement existed during the period in which any of the directors had a material interest. No director has a service contract with the Company.

Directors' and Officers' Liability Insurance/ Directors' Indemnity

The Company maintains insurance in respect of directors' and officers' liabilities in relation to their acts on behalf of the Company. The Company's articles of association provide that any director or other officer of the Company is to be indemnified out of the assets of the Company against any liability incurred by him as a director or other officer of the Company to the extent permitted by law.

Share capital

At 30 September 2019, and as at the signing date of this Annual Report, there were 153,746,294 ordinary shares of 0.2 pence in issue.

The Company's shares are listed on the Premium segment of the official list and traded on the main market of the London Stock Exchange.

The ordinary shares carry a right to receive dividends which are declared from time to time by an ordinary resolution of the Company (up to the amount recommended by the directors) and to receive any quarterly dividends which the directors may resolve to pay.

Income and dividends

Revenue available for dividends was £4,206,000, or 2.74 pence per ordinary share (30 September 2018: £3,337,000, or 2.17 pence per ordinary share). Additionally, the capital realised reserves standing in the Company's balance sheet total £450,809,000 or 293.2 pence per ordinary share (30 September 2018: £464,101,000, or 301.86 pence per ordinary share), as noted in note 15 of the financial statements.

The directors recommend that a fourth quarterly dividend of 3.2 pence per ordinary share (2018: 3.1 pence) be paid on 24 January 2020 to shareholders on the Company's share register at the close of business on 20 December 2019. The ex-dividend date will be 19 December 2019. First, second and third quarterly dividends, each of 3.2 pence per ordinary share, were paid on 26 April 2019, 26 July 2019 and 25 October 2019 respectively (2018: three quarterly dividends of 3.1 pence per ordinary share each).

Significant agreements

The Company considers the following agreements, each of which may be affected, altered or terminated on a change of control of the Company, to be of significance:

Investment Management Agreement

The Manager to the Company is SL Capital Partners LLP. In order to comply with the Alternative Investment Fund Manager ("AIFM") Directive, the Company appointed SL Capital Partners LLP ("SL Capital") as its AIFM from 1 July 2014.

Under the terms of the Company's investment management agreement with the Manager (the "Investment Management Agreement"), the Company pays the Manager a quarterly fee, equal to 0.95% per annum of the Company's net asset value at the end of the relevant quarter. No fee is payable on any investments in any investment trust, collective investment scheme or any other company or fund managed, operated or advised by the Manager or any other subsidiary of Standard Life Aberdeen plc where there is an entitlement to a fee on that investment.

The Manager's appointment may be terminated by either party giving to the other not less than 12 months' written notice.

Governance

Directors' Report

Relationship agreement with Standard Life Assurance Limited

Standard Life Assurance Limited ("SLAL", which is now 100% owned by Phoenix Group Holdings) has irrevocably undertaken to the Company that, at any time when SLAL and its Associates (meaning any company which is a member of the SLAL group) are entitled to exercise or control 30% or more of the rights to vote at general meetings of the Company, it will not (and will procure that none of its Associates will) seek to nominate directors to the Board of the Company who are not independent of SLAL and its Associates, enter into any transaction or arrangement with the Company which is not conducted at arm's length and on normal commercial terms, take any action that would have the effect of preventing the Company from carrying on an independent business as its main activity or from complying with its obligations under the Listing Rules or propose or procure the proposal of any shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Future developments

The Chair's Statement on pages 2 to 4 describes the outlook for the Company.

Principal risks and uncertainties

The risk management, financial assets and liabilities are contained in note 19 to the financial statements. The principal risks and uncertainties are set out on pages 7 to 9.

Greenhouse gas emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Environmental, social & governance policy ("ESG")

As an investment trust, the Company has no direct environment, social or community responsibilities. The Board closely monitors the Manager's adherence to its own ESG guidelines as set out in the Manager's Report on page 12.

Corporate governance

The Board and Manager are committed to high levels of Corporate Governance. Further information can be found in the Statement of Corporate Governance on pages 41 to 43, this is incorporated in the foregoing by reference.

Significant shareholdings

The significant holdings in the Company's ordinary share capital at 30 September 2019 are shown below.

Substantial share interests[1]	No. of ordinary shares	%
Phoenix Group Holdings and Aberdeen Standard Investments[2]	86,735,896	56.4
Quilter Cheviot Investment Management	9,216,877	6.0
Oxfordshire County Council Pension Fund	4,658,684	3.0

As at 8 January 2020, (the latest date before publication of these accounts) the significant holdings were:

Substantial share interests[1]	No. of ordinary shares	%
Phoenix Group Holdings and Aberdeen Standard Investments[2]	86,661,475	56.4
Quilter Cheviot Investment Management	9,179,047	6.0
Oxfordshire County Council Pension Fund	4,658,684	3.0

[1] Source: Richard Davies Investor Relations ("RD:IR") as at 30 November 2019.
[2] The voting rights of these shares are retained by ASI.

The Board has not been notified of any changes to these holdings as at the signing date of this Annual Report.

Independent Auditor

The Company's Independent Auditor is BDO LLP ("BDO"). The directors confirm that so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has also taken all reasonable steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Independent Auditor is aware of that information.

Annual General Meeting

The Notice of the Annual General Meeting ("AGM"), which will be held at the offices of Aberdeen Standard Investments, Bow Bells House, 1 Bread Street, London EC4M 9HH at 12.30pm on Monday, 24 February 2020, and related notes may be found on pages 57 to 70 of this Annual Report. Ordinary shareholders are entitled to vote on all resolutions which are proposed at general meetings, including the AGM, of the Company. Among the resolutions being put to the AGM, the following will be proposed:

Dividend policy

As set out in the Chair's Statement on page 4, the Board has reviewed its valuation cycle. In order to ensure that the Company's Annual Report contains the latest valuations as at 30 September from each of the managers of the funds in which the Company is invested or committed, the Board has agreed that the Annual Report will be issued in January each year, with the AGM taking place each March.

To ensure that Shareholders continue to receive regular dividends from the Company in April, July, October and January, the Board will move to the payment of four interim dividends, rather than current policy of three quarterly dividends and a final dividend. Shareholder approval at an AGM is required before a final dividend is paid and, given the change of the AGM date, this would affect the ability of the Board to pay dividends on a regular quarterly basis. In accordance with good corporate governance, each year the Board will seek from Shareholders the approval of its dividend policy to pay four interim dividends in the coming year. Resolution 4 will seek Shareholders' approval for the dividend policy.

Directors' Report

Section 551 authority to allot shares

Resolution 12, which is an ordinary resolution, will give the directors a general authority to allot new securities up to an aggregate nominal amount of £102,395 (equating to approximately 33.3% of the Company's issued share capital as at the date of this Annual Report (excluding treasury shares)). Such authority will expire on 31 March 2021 or, if earlier, at the conclusion of the next AGM of the Company (unless previously revoked, varied or extended by the Company in general meeting). As at the date of this Annual Report, the Company does not hold any ordinary shares in treasury.

Limited disapplication of pre-emption provisions

Resolution 13, which is a special resolution, seeks to give the directors power, conditional on Resolution 12 being passed, to allot ordinary shares and to sell ordinary shares held in treasury for cash, without first offering them to existing shareholders in proportion to their existing holdings, up to an aggregate nominal amount of £15,374 (representing approximately 5% of the Company's issued share capital as at the date of this Annual Report).

This authority will expire on 31 March 2021 or, if earlier, at the conclusion of the next AGM of the Company (unless previously revoked, varied or extended by the Company in general meeting).

The directors consider that the powers proposed to be granted by the above resolutions are necessary to provide flexibility to issue shares should they deem it to be in the best interests of shareholders as a whole.

Purchase of the Company's own ordinary shares

The Company's buy-back authority was last renewed at the AGM on 22 January 2019. Resolution 14, which is a special resolution, will renew the Company's authority to make market purchases of its own shares. Shares so repurchased will be cancelled or held in treasury. In respect of the Company's ordinary shares which it buys back and does not immediately cancel but, instead, holds in treasury, it may sell such shares (or any of them) for cash (or its equivalent); or ultimately cancel the shares (or any of them).

No dividends will be paid on treasury shares, and no voting rights attach to them.

The maximum number of ordinary shares which may be purchased pursuant to this authority shall be 14.99% of the issued share capital of the Company as at the date of the passing of the resolution (approximately 23,046,569 ordinary shares as at the date of this Annual Report). The minimum price which may be paid for an ordinary share (exclusive of expenses) shall be 0.2p (being an amount equal to the nominal value of an ordinary share). The maximum price for an ordinary share (exclusive of expenses) shall be an amount being not more than the higher of (i) 105% of the average of the middle market quotations for the Company's ordinary shares for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid relating to an ordinary share on the trading venue where the purchase is carried out.

This authority, if conferred, will only be exercised if to do so would enhance the net asset value per share and is in the best interests of shareholders generally. This authority will expire on 31 March 2021 or, if earlier, at the conclusion of the next AGM of the Company (unless previously revoked, varied or extended by the Company in general meeting).

Additional information

The rules concerning the appointment and replacement of directors, amendments to the articles of association and powers to issue or buy back the Company's shares are contained in the articles of association of the Company and the Companies Act 2006. There are no agreements which the Company is party to that might affect its control following a takeover bid and there are no agreements between the Company and its directors concerning compensation for loss of office. Other than the management agreement with the Manager and the relationship agreement with Standard Life Assurance Limited, further details of which are set out on page 37, the Company is not aware of any contractual or other agreements which are essential to its business which ought to be disclosed in the Directors' Report.

Recommendation of the Board

The Board considers that all the resolutions to be considered at the AGM as set out in the Notice of AGM on pages 73 to 76 are in the best interests of the Company and the shareholders as a whole, and unanimously recommends that shareholders vote in favour of each Resolution. The Board will be voting in favour of the resolutions in respect of their own shares.

By order of the Board

Aberdeen Asset Management PLC
Company Secretary

8 January 2020

Directors' Remuneration Report

Introduction

The Board has prepared this report in accordance with the requirements of the Companies Act 2006. An ordinary resolution for the approval of this report will be put to shareholders at the forthcoming AGM. The law requires the Company's Independent Auditor to audit certain of the disclosures provided herein. Where disclosures have been audited, they are indicated as such. The Independent Auditor's opinion is included in their report on pages 47 to 51.

At 30 September 2019, the Company had five non-executive directors and their biographies are shown on page 35 of this Annual Report. The Board has not established a separate Remuneration Committee and instead, the Board as a whole, fulfils this function.

Directors' shareholdings (audited)

The names of the directors and their shareholdings in the Company at 30 September 2019 are shown in the table below. Since the year-end, Christina McComb acquired a further 39 shares and Alan Devine acquired a further 53 shares as a result of the Company's Dividend Reinvestment Plan ("DRIP").

Directors and their shareholdings in the Company (audited)	Ordinary shares held as at 30 September	
	2019	2018
Jonathon Bond	11,870	11,870
Alan Devine	6,014	5,811
Christina McComb	11,679	7,136
Diane Seymour-Williams	31,500	31,500
Calum Thomson	13,700	13,700
Edmond Warner[1]	-	25,000

[1] Edmond Warner retired from the Board on 31 December 2018.

All of the above ordinary shares are held beneficially by the directors and their families.

Directors' remuneration policy

The directors' remuneration policy is reviewed annually by the Board. The policy is to remunerate directors exclusively by fixed fees in cash at a rate which both attracts and retains individuals of the necessary calibre and experience and is comparable to that paid by other companies with similar characteristics.

The fees for the non-executive directors are determined within the limits set out in the Company's articles of association. At the 2019 AGM, shareholders voted in favour of a resolution to increase the maximum aggregate limit of remuneration of the directors each year in respect of their ordinary services as directors from £250,000 to £350,000 to ensure the Board has ongoing flexibility to be able to appoint additional directors.

There is no performance-related remuneration scheme and therefore the directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

In December 2017 the Board agreed that the Company should no longer reimburse the directors for expenses they incurred in order to attend Board meetings but that directors' fees should be amended accordingly.

In September 2019 the Board carried out a review of the levels of directors' fees. Taking into account the fees paid by other companies with comparable characteristics, and in order to continue attracting and retaining individuals of the necessary calibre and experience, it was agreed that the directors' fees should be increased. With effect from 1 October 2019, the fees were increased from £61,000 to £62,500 per annum for the Chair, £45,000 to £46,500 per annum for the Senior Independent Director ("SID") and Chair of the Audit Committee and £41,000 to £42,500 per annum for all other directors. The Board agreed that the level of fees will be subject to regular review.

The directors' remuneration policy was last approved by shareholders at the AGM held in 2017 (outcome of voting noted below) and will be subject to shareholder approval at the AGM to be held on 24 February 2020. The 2017 AGM results in respect of the resolution to approve the directors' fees policy are as follows:

Percentage of votes cast for	Percentage of votes cast against	Votes withheld
99.99%	0.01%	5,708

Aside from the directors no longer being reimbursed for expenses incurred attending Board meetings and the increase in the maximum aggregate limit of remuneration of the directors as approved by shareholders at the AGM in January 2019, there has been no changes to the directors' remuneration policy.

Directors' service contracts

It is the Board's policy that none of the directors has a service contract. The terms of their appointment provide that a director shall retire and be subject to election by shareholders at the first AGM after their appointment and stand for re-election every year thereafter. The terms also provide that a director may be removed without notice and that compensation will not be due on leaving office.

Governance

Directors' Remuneration Report

Directors' emoluments for the year (audited)

The directors who served during the years ended 30 September 2019 and 30 September 2018 received the following emoluments, as described in the table below.

Single total figure table (audited)

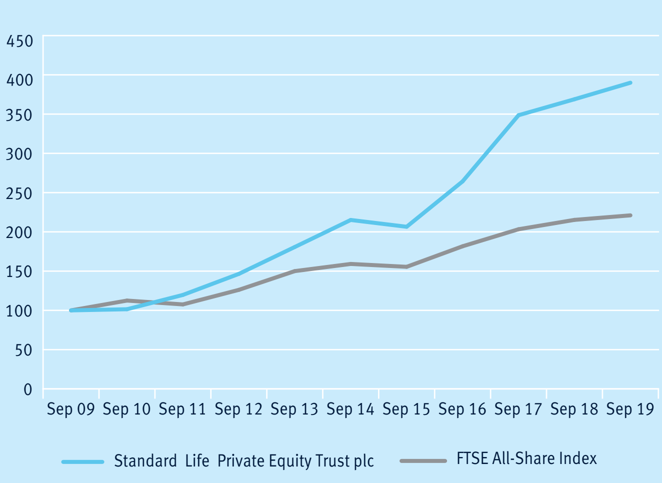
Director	Year to 30 September 2019 Fees (£)	Year to 30 September 2018 Fees (£)
Alan Devine	44,000	39,000
Alastair Barbour[1]	-	10,760
Calum Thomson	45,000	35,650
Christina McComb	57,000	43,000
Diane Seymour-Williams	41,000	39,000
Edmond Warner[2]	15,250	59,000
Jonathon Bond[3]	41,000	10,818
Total	**243,250**	**237,228**

(1) Alastair Barbour retired from the Board on 29 December 2017.
(2) Edmond Warner retired from the Board on 31 December 2018.
(3) Jonathon Bond was appointed to the Board on 15 June 2018.

Total shareholder return

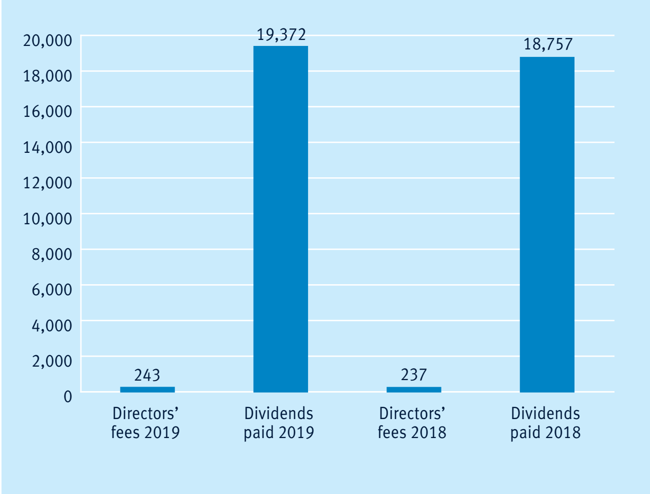
The graph below compares the Company's total shareholder return, assuming all dividends are reinvested on the ex-dividend date, with the total return on the FTSE All-Share Index over the ten years to 30 September 2019. This index was chosen for comparison purposes only.

Cumulative ordinary total shareholder return for the 10 year period ending 30 September 2019 (rebased to 100 at 30 September 2009)



To enable shareholders to assess the relative importance of spend on directors' remuneration, the chart below shows for the years ended 30 September 2018 and 30 September 2019, the cost of directors' fees compared with the level of dividends paid in each year.

Relative cost of directors' remuneration (£'000)



At the AGM held in January 2019 the results in respect of a resolution to approve the Directors' Remuneration Report were as follows:

Percentage of votes cast for	Percentage of votes cast against	Votes withheld
99.99%	0.01%	12,892

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the above Remuneration Report summarises the major decisions on directors' remuneration; any substantial changes relating to directors' remuneration made during the year; and the context in which the changes occurred and decisions have been taken.

For Standard Life Private Equity Trust plc

Christina McComb
Chair

8 January 2020

Governance

Statement of Corporate Governance

Compliance

The Board and the Manager are committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company applies the principles identified in The UK Corporate Governance Code ("the Code") published in April 2016, and which is available on the Financial Reporting Council's ("FRC") website www.frc.org.uk. The Board has established corporate governance procedures that it believes are appropriate for a private equity investment trust company and that enable the Company to comply with the relevant principles of the Code and, where appropriate, with the principles of the AIC Code on Corporate Governance ("the AIC Code"), which can be found on the AIC's website at www.theaic.co.uk.

The Board believes that the Company has complied throughout the year ended 30 September 2019 with the provisions of the Code, except for (1) the provision which relates to the combination of the roles of the Chair and Chief Executive, which does not apply as the Company has no executive directors; and (2) the provision which relates to internal audit. The Audit Committee considers and the Board agrees that an internal audit function is not required by the Company as the internal control systems operated by the Manager's ultimate parent and the Administrator, both of which have internal audit functions, provide sufficient assurance over the effectiveness of internal controls.

Changes to Code and AIC Code

In July 2018, the FRC issued a revised version of the Code, which takes effect in respect of financial years commencing after 1 January 2019. In February 2019, the AIC issued a revised version of the AIC Code, which applies to companies with accounting periods beginning on or after 1 January 2019, in line with the Code. The Board will report against the requirements of the revised Code in its annual report to 30 September 2020.

The role of the Board

As at 30 September 2019, the Board consists of five non-executive directors, one of whom is Chair. All of the directors are independent of the Manager and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The terms and conditions of appointment of the directors are available at the Company's registered office.

The directors have the requisite business and financial experience to enable the Board to provide strategic leadership and proper governance to the Company. Christina McComb is the Chair and Alan Devine is the SID.

The Board has overall responsibility for the Company's affairs. It delegates, through the investment management, secretarial and administration agreements and through specific instructions, the day to day management of the Company to the Manager, the secretarial arrangements to Aberdeen Asset Management PLC (Maven Capital Partners UK LLP until 6 September 2019), and administrative matters to IQ EQ Administration Services (UK) Limited (BNP Paribas Securities Services S.A. until 31 December 2018) ("the Administrator"). The Company has no executives or employees. There are a number of matters reserved for the Board's approval which include overall strategy, investment policy, borrowings, dividend policy and Board composition.

The Board meets formally at least five times each financial year and more frequently where business needs require. There is an annual cycle of Board meetings which is designed to address, in a systematic way, overall strategy, review of investment policy, investment performance, borrowings, forecasts, dividends, marketing and communication with shareholders. There is regular contact between the directors and the Manager throughout the year.

The table below sets out the number of formal directors' and committee meetings attended by each director during the year, compared to the total number of meetings that each director was entitled to attend. In addition to these meetings, there were 4 ad hoc Board and committee meetings during the year.

Meetings held and attendance	Board	Audit Committee	Management Engagement Committee	Nominations Committee
Jonathon Bond	5[5]	2[2]	1[1]	1[1]
Alan Devine	5[5]	2[2]	1[1]	1[1]
Christina McComb	5[5]	2[2]	1[1]	1[1]
Diane Seymour-Williams	5[5]	2[2]	1[1]	1[1]
Calum Thomson	5[5]	2[2]	1[1]	1[1]
Edmond Warner[1]	1[1]	1[1]	0[0]	0[0]

[1] Retired on 31 December 2018

The Board regularly monitors the interests of each director and a register of directors' interests, including potential conflicts of interest, is maintained by the Company. Directors who have potential conflicts of interest will not take part in any discussions which relate to that particular conflict. The Board will continue to monitor and review potential conflicts of interests on a regular basis.

There is a procedure for directors to take independent professional advice, if necessary, at the Company's expense. This is in addition to the access which every director has to the advice and services of the Company Secretary, Aberdeen Asset Management PLC, which is responsible to the Board for ensuring that Board procedures are followed and that the Company complies with the applicable rules and regulations.

Governance

Statement of Corporate Governance

Following the implementation of the Bribery Act 2010, the Board has adopted a zero tolerance approach to bribery and corruption and has implemented appropriate procedures designed to prevent bribery. The Board has also adopted relevant procedures following the introduction of the Market Abuse Regulation in July 2016.

Board Committees

The Board has established three committees to cover specific duties. Copies of the terms of reference of these committees, which clearly define the responsibilities and duties of each committee, are available on request from the Company Secretary and can be found on the Company's website at www.slpet.co.uk.

Directors' remuneration is considered by the Board as a whole and, therefore, a separate remuneration committee has not been established. Details of remuneration are contained within the Directors' Remuneration Report on pages 39 and 40.

Audit Committee

All of the directors are members of the Audit Committee, which is chaired by Calum Thomson. A full report of the Audit Committee can be found on pages 44 and 45.

Nominations Committee

All of the directors are members of the Nominations Committee and Christina McComb is the Chair. The main responsibilities of the Nominations Committee include review of the Board, identification and nomination of candidates for appointment to the Board, appraisal of the Chair and the Board, succession planning and training.

The Board has agreed a succession planning timetable in order to provide an appropriate balance in future between bringing in fresh insights and ongoing continuity, in line with good corporate governance.

The Board believes in equal opportunities and supports the principle that due regard should be had for the benefits of diversity, including gender, when searching for potential candidates. The Board recognises that diversity can bring insights that may make a valuable contribution to its effectiveness and is committed to a diverse composition. Any future appointments of new directors will be considered by the Nominations Committee, taking into account the need to maintain a balanced Board. The priority in appointing new directors is to identify the candidate with the best range of skills and experience to complement existing directors. The Board therefore does not consider it appropriate to set diversity targets or apply a diversity policy.

New directors appointed to the Board will be given an induction meeting with the Manager and Company Secretary and will be provided with all relevant information regarding the Company and their duties as a director. Thereafter, regular briefings are provided on changes in regulatory requirements that could affect the Company and the directors. Professional advisers report from time to time and directors will, if appropriate, attend seminars covering relevant issues and developments.

The Company's articles of association provide that a director appointed during any period is required to retire and seek election by shareholders at the next AGM and that every director submits himself or herself for re-election at least every three years. Directors are appointed to the Board for a specified period, initially three years, and subsequent extensions are, in each case, considered by the Board. In line with developing practice and good corporate governance, the Board has implemented annual re-election for all directors. The Board believes that each director continues to be effective, bringing a wealth of knowledge and experience to the Board.

Mr Bond, Mr Devine, Ms McComb, Ms Seymour-Williams and Mr Thomson will be seeking re-election at the Company's AGM in February 2020. The directors, individually and collectively, have extensive knowledge and understanding of investment trusts, private equity and the wider financial services sector and the Board recommends the re-election of each of the directors to shareholders.

Management Engagement Committee

All of the directors are members of the Management Engagement Committee and Christina McComb is the Chair. The Committee reviews the performance of the Manager, the Company Secretary and the Administrator and their compliance with the terms of the investment management, company secretarial and the administration agreements respectively. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee on an annual basis.

The Committee considers that the Manager, whose team is well qualified and experienced, has met fully the terms of its agreement with the Company. Investments are carefully identified, screened and monitored, risks rigorously controlled and cash flow projections updated regularly. Written and verbal presentations to the Board are made in a professional manner, as is communication to shareholders, commentators and the media. The Board continues to believe that the management fee structure delivers value for shareholders. Having regard to the foregoing, the Committee, and hence the Board, believes that the continuing appointment of the Manager on the agreed terms is in the interests of shareholders.

Statement of Corporate Governance

Performance evaluation

An assessment of the operation of the Board and its Committees and of the contribution of each director, including the Chair, was undertaken during the year by an independent consultancy, Lintstock Limited ("Lintstock"). The process was based around a questionnaire which was issued to and completed by all directors. The Chair was similarly assessed by her colleagues who completed a questionnaire, initiated by Lintstock. The collated results of the questionnaires were discussed by the directors with Lintstock at the Nominations Committee meeting in September 2019. Overall, the performance of the Board, collectively and individually, continues to be judged as fully satisfactory.

Internal Control and Risk Management

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute assurance, against material misstatement or loss.

Under the terms of the investment management and administration agreements, the day to day management and operation of the Company have been delegated to the Manager, the Company Secretary and the Administrator. Clear lines of accountability have been established between the Board, the Manager, the Company Secretary and the Administrator. The Board and the Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. The Manager and the Administrator are responsible for the design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly. The system extends to financial, operational and compliance controls as well as risk management. The Board reviews financial reports and performance statistics, including projections and management accounts, from the Manager on a regular basis. Twice a year the Audit Committee carries out an assessment of internal risks and controls. In carrying out its review, the Audit Committee has regard to the activities of the Manager, the Company Secretary and the Administrator, including their risk management, internal audit, compliance function and whistle-blowing policies.

On the basis of this work, the Board confirms that there is an ongoing process for identifying, evaluating and managing the Company's significant business and operational risks and that it has been in place for the year ended 30 September 2019 and up to the date of approval of the Annual Report and Financial Statements. It is regularly reviewed by the Board and accords with the FRC's Internal Control: Revised Guidance.

The Audit Committee considers, and the Board agrees, that an internal audit function is not required by the Company as the internal control systems operated by the Manager's ultimate parent and the Administrator, both of which have internal audit functions, provide sufficient assurance over the effectiveness of internal controls.

Communication with shareholders

The directors place great importance on communication with the Company's shareholders. The Manager carries out a programme of regular dialogue and individual meetings with institutional shareholders. The Chair and the SID welcome correspondence from shareholders, addressed to the Company's registered office.

The Notice of the Annual General Meeting is sent out at least 20 working days in advance of the meeting. Representatives of the Board and the Manager will be available at the AGM and shareholders are encouraged to attend and ask questions of the Board. The Board hopes that as many shareholders as possible will be able to attend the meeting. Proxy voting figures for each resolution are announced to the meeting after voting on a show of hands.

Going concern

The Board considered its obligation to satisfy itself as to the appropriateness of the adoption of the going concern assumption as a basis for preparing the financial statements, taking into account; the £80 million committed, syndicated revolving credit facility with a maturity date of 31 December 2020 (which since the year end has been increased to £100 million and extended to December 2024); the future cash flow projections, and that the Company had net resources available for investment at the year-end. The Board ratified the conclusion of the Audit Committee that the adoption of the going concern basis was appropriate.

The directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

By order of the Board

Aberdeen Asset Management PLC
Company Secretary

8 January 2020

Report of the Audit Committee

Composition of the Audit Committee

The Audit Committee comprises the whole Board, being independent directors. All members of the Committee have recent and relevant financial experience and the Committee as a whole has competence relevant to the sector in which the Company operates. The Chair of the Committee, Calum Thomson, is a Chartered Accountant.

Role of the Audit Committee

The main responsibilities of the Audit Committee include:

- monitoring the integrity of the Company's financial statements and appropriateness of its accounting policies;
- monitoring the effectiveness of the systems of internal controls (including financial, operational and compliance controls and risk management) on which the Company is reliant, and obtaining and reviewing the controls reports of the outsourced service providers;
- considering the scope of work undertaken by the Manager's and the Administrator's internal audit and compliance departments, including a review of their 'whistle-blowing' policies; and
- making recommendations to the Board regarding the appointment and independence of the Independent Auditor and the objectivity and effectiveness of the audit process, with particular regard to the level of non-audit fees, if any.

All of the responsibilities listed above were reviewed during the year.

The Audit Committee's terms of reference, which are available on the Company's website, are reviewed on an annual basis.

The Audit Committee met formally during the year. In June it met to consider the Half Year Report for the period to 31 March 2019 and recommended approval of the latter to the Board. At the same meeting BDO, the Independent Auditor, presented their plan for the external audit of the annual financial statements. In December, the Committee met to review the annual financial statements and to review the third party service providers' controls reports. No adverse findings relating to the controls that the Company relies upon were disclosed in the reports. A further ad hoc meeting was held in December to review the annual financial statements. At that meeting the findings of the Independent Auditor on their audit of the year-end financial statements were considered. No adverse findings relating to the controls the Company relies upon were disclosed in the reports.

The Audit Committee also reviewed the report provided by the Depositary and discussed the effectiveness of compliance controls with the Manager's compliance department representative.

Significant issues or judgements considered by the Audit Committee

The significant issues or judgements considered by the Audit Committee during the year in relation to the financial statements of the Company were as follows:

- valuation of unquoted investments; and
- over-commitment risk.

Valuation of unquoted investments

The Company's accounting policy for valuing unquoted investments is set out in note 1 (c) on page 56. The Audit Committee reviewed and challenged the valuations prepared by the Manager taking account of the latest available information about the Company's investments, the Manager's knowledge of the underlying investments through its participation on fund advisory boards, etc. and comparison to current market data where appropriate. The Audit Committee satisfied itself that the valuation of investments had been carried out consistently with prior periods and in accordance with published industry guidelines. The Audit Committee also considered the Independent Auditor's work and conclusions in this area.

Over-commitment risk

The Board considers and monitors commitments and the risk of over-commitment at all Board meetings. The Audit Committee reviewed how the Company's commitment risks and cash flow had been managed over the course of the financial year and expectations for the future and also reviewed the future cash flow projections prepared by the Manager. In particular, the Audit Committee considered and questioned the underlying assumptions as to outflows and inflows, based on the Manager's knowledge of developments at the underlying funds and historical accuracy of the model in projecting cash flow. The Audit Committee also considered the Independent Auditor's work and conclusions in this area.

Conclusions of the Audit Committee

Having reviewed the reports from the Manager and having considered the significant issues or judgements, the Audit Committee is satisfied that the key areas of risk and judgement have been appropriately addressed in the financial statements and that the significant assumptions used in determining the value of assets and liabilities have been properly appraised and are sufficiently robust.

Report of the Audit Committee

At the request of the Board, the Audit Committee considered whether the 2019 Annual Report and Financial Statements was fair, balanced and understandable and whether it provided the necessary information for shareholders to assess the Company's position and performance, business model and strategy. The Audit Committee is satisfied that, taken as a whole, the Annual Report and Financial Statements is fair, balanced and understandable.

Independent Auditor

Following a tender process in 2018, BDO was appointed as Independent Auditor to the Company on 24 August 2018. Shareholders voted in favour of the appointment of BDO at the AGM in January 2019. A Resolution for the approval of the re-appointment of BDO as Independent Auditor for the year ending 30 September 2020 will be put to the AGM in February 2020.

It is the second year that BDO has been appointed by the Company and the Committee will keep BDO's appointment under ongoing review.

BDO attends all meetings of the Audit Committee and meets, at least annually, with the Audit Committee, without the Manager being present. The Audit Committee discusses and agrees the scope of the audit plan for the full year and the Auditor's Report on their findings at the conclusion of the audit. The Audit Committee also receives a report from the Auditor explaining how its independence and objectivity is maintained when providing non-audit services. Any non-audit services provided by the Auditor must be approved by the Audit Committee in advance of any work being carried out and non-audit work, where independence may be compromised or conflicts arise, is prohibited.

Details of the Auditor's fees, including fees for non-audit services are set out in note 4 to the Financial Statements. The cost of non-audit services provided by the Independent Auditor for the financial year ended 30 September 2019 was £13,000 (2018: £12,000) in relation to the half-year review. Future non-audit services that may be carried out by the Auditor are expected to be primarily assurance related, and the Audit Committee believe that BDO will be best placed to provide them on a cost-effective basis.

BDO rotates the Senior Statutory Auditor responsible for the audit every five years. The current Audit Partner is Peter Smith. The next audit tender is due to take place by 2028 in compliance with EU regulations and FRC Guidance on audit tenders.

The Company has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibility) Order 2014 during the year.

The Audit Committee assessed the effectiveness of the audit, the quality of the audit team and advice received through a review of interaction with the Independent Auditor reports received from them and discussion with the Manager. The Audit Committee also reviewed the report on BDO compiled by the Financial Reporting Council and confirmed that none of the findings impacted the efficacy of the audit process for the Company.

For and on behalf of the Audit Committee

Calum Thomson, FCA
Chair

8 January 2020

Governance

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report and 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 are required to prepare the financial statements in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 its 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.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

We consider the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Christina McComb
Chair

8 January 2020

Financial Statements

Independent Auditor's Report to the Members of Standard Life Private Equity Trust plc

Opinion

We have audited the financial statements of Standard Life Private Equity Trust plc (the 'Company') for the year ended 30 September 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, 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 principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the strategic report set out on pages 1 to 33 that describes the principal risks and explains how they are being managed or mitigated;
- the directors' confirmation set out on page 10 in the annual report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement set out on page 46 in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the directors' statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the directors' explanation set out on page 10 in the annual report as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Financial Statements

Independent Auditor's Report to the Members of Standard Life Private Equity Trust plc

Key audit matter	Audit Response
Valuation and ownership of investments: ***(Note 1 c page 56 and Note 9 on page 62):*** The total value of investments of £638.7m is made up of quoted investments ('level 1') of £11.4m (2%) and unquoted investments ('level 3') of £627.3m (98%). There is a level of estimation uncertainty involved in the underlying general partner ('GP') valuations and as such, there is a significant risk over the valuation of investments. In addition, the Investment Manager's fee is based on the value of the net assets of the fund. As the Investment Manager is able to make adjustments to the underlying valuations, there is a potential risk of overstatement of investment valuations. As investments make up the majority of the balance sheet, valid title to these investments is also part of the key audit matter.	We responded to this matter by testing the valuation of 100% of the portfolio of investments. In respect of unquoted investment valuations (98% of total) we: ▸ Considered the appropriateness of the overall valuation policies undertaken by underlying private equity fund managers in line with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines ▸ Discussed with the Investment Manager key judgements affecting the private equity fund valuations, such as the basis for the valuation and any adjustments made to the independent valuation produced by the underlying fund manager on the private equity funds. We reviewed the investment manager's internal processes for considering the movements in fair value of the underlying portfolio and attended the Investment Manager's valuation committee meeting held on 27 November 2019 ▸ Compared the year-end valuations to the independent valuations produced by the managers of the underlying funds. Where an up to date independent valuation was not available, we agreed the cash roll forward performed by the GP to direct confirmation from the GP. Where the cash roll forward was performed by the investment manager, we independently tested the cash flows and adjustments between June and year-end. Our work included considering events which occurred subsequent to the year end up until the date of this report ▸ Considered the need for the Investment Manager to adjust the underlying valuations for specific cases, such as carried interest, and agreed these adjustments to the underlying calculations and support; considering where hurdles are met or not based on performance ▸ Considered the accuracy of the underlying GPs' valuation process by comparing the most recent audited financial statements for a sample of funds to the GP statement for the coterminous period. In respect of the quoted investments valuation testing we confirmed that bid price has been used for 100% of the portfolio by agreeing to externally quoted prices and checked that there are no contra indicators, such as liquidity considerations, to suggest bid price is not the most appropriate indication of fair value. In respect of title and ownership of investments, we obtained direct confirmation from IQ EQ, the depositary, regarding all investments held at the balance sheet date. We also checked that financial statement disclosures in respect of investment valuations are in accordance with the requirements of FRS 102 and the SORP. **Key observations** Based on our procedures performed we did not identify any exceptions with regards to valuation or ownership of investments.

Independent Auditor's Report to the Members of Standard Life Private Equity Trust plc

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the Financial Statements. The application of these key considerations gives rise to two levels of materiality, the quantum and purpose of which are tabulated below.

Materiality measure	**Purpose**	**Key considerations and benchmarks**	**Quantum (£)**
Financial statement materiality (1% of net assets)	Assessing whether the financial statements as a whole present a true and fair view.	The value of net assets. The level of judgement inherent in the valuation. The range of reasonable alternative valuations.	£7,100,000 (2018: £6,600,000)
Performance materiality (75% of materiality (2018: 65%))	Lower level of materiality applied in performance of the audit when determining the nature and extent of testing applied to individual balances and classes of transactions.	Financial statement materiality. Risk and control environment. History of prior errors (if any).	£5,300,000 (2018: £4,290,000)

We have set a lower testing threshold for those items impacting revenue return of £490,000 (2018: £500,000), with a performance threshold of £360,000 (2018: £330,000) which is based on 10% of revenue return before tax and 75% (2018: 65%) of this respectively.

We agreed with the audit committee that we would report to the committee all audit differences in excess of £140,000 (2018: £130,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was developed by obtaining an understanding of the Company's activities and the overall control environment. Based on this understanding, we assessed those aspects of the Company's transactions and balances which were most likely to give risk to a material misstatement.

Capability of the audit to detect irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the entity and the industry in which it operates and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006, the UK Listing rules, the DTR rules, FRS 102 accounting standards, VAT and other taxes.

Our audit procedures were designed to respond to risks of material misstatement 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 deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We considered compliance with this framework through discussions with the audit committee and performed audit procedures on these areas as considered necessary. Our procedures involved enquiry with the investment manager, administrator and the board, review of the reporting to the directors with respect to compliance with laws and regulation, review of board meeting minutes and review of legal correspondence.

There are inherent limitations in an audit of financial statements 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. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Financial Statements

Independent Auditor's Report to the Members of Standard Life Private Equity Trust plc

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report & Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable [set out on page 46]** – the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit committee reporting [set out on pages 44 and 45]** – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code [set out on pages 41 to 43]** – the parts of the directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the directors' remuneration report to be audited 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 46, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Financial Statements

Independent Auditor's Report to the Members of Standard Life Private Equity Trust plc

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the Directors on 24 August 2018 to audit the financial statements for the year ending 30 September 2018 and subsequent financial periods. The period of total uninterrupted engagement is two years, covering the years ended 30 September 2018 to 30 September 2019.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
8 January 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements

Statement of Comprehensive Income

	Notes	For the year ended 30 September 2019			For the year ended 30 September 2018		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Total capital gains on investments	9	**-**	**69,845**	**69,845**	**-**	**82,383**	**82,383**
Currency gains	15	-	340	340	-	972	972
Income	2	6,686	-	6,686	6,955	-	6,955
Investment management fee	3	(646)	(5,817)	(6,463)	(599)	(5,388)	(5,987)
Administrative expenses	4	(997)	-	(997)	(996)	-	(996)
Profit before finance costs and taxation		**5,043**	**64,368**	**69,411**	**5,360**	**77,967**	**83,327**
Finance costs	5	(186)	(615)	(801)	(279)	(632)	(911)
Profit before taxation		**4,857**	**63,753**	**68,610**	**5,081**	**77,335**	**82,416**
Taxation	6	(651)	133	(518)	(1,744)	456	(1,288)
Profit after taxation		**4,206**	**63,886**	**68,092**	**3,337**	**77,791**	**81,128**
Earnings per share - basic and diluted	8	**2.74p**	**41.55p**	**44.29p**	**2.17p**	**50.60p**	**52.77p**

The Total column of this statement represents the profit and loss account of the Company.

There are no items of other comprehensive income, therefore this statement is the single Statement of Comprehensive Income of the Company.

All revenue and capital items in the above statement are derived from continuing operations.

No operations were acquired or discontinued in the year.

The dividend which has been recommended based on this Statement of Comprehensive Income is 12.80p (2018: 12.40p) per ordinary share.

The accompanying notes form an integral part of these financial statements.

Financial Statements

Statement of Financial Position

	Notes	As at 30 September 2019		As at 30 September 2018	
		£'000	£'000	£'000	£'000
Non-current assets					
Investments	9		638,733		603,709
Receivables falling due after one year	10		15,173		-
			653,906		**603,709**
Current assets					
Receivables	11	10,640		1,048	
Cash and cash equivalents		66,315		57,441	
		76,955		**58,489**	
Creditors: amounts falling due within one year					
Payables	12	(20,778)		(835)	
Net current assets			**56,177**		**57,654**
Total assets less current liabilities			**710,083**		**661,363**
Capital and reserves					
Called-up share capital	14		307		307
Share premium account	15		86,485		86,485
Special reserve	15		51,503		51,503
Capital redemption reserve	15		94		94
Capital reserves	15		571,694		522,974
Revenue reserve	15		-		-
Total shareholders' funds			**710,083**		**661,363**
Net asset value per equity share	16		**461.9p**		**430.2p**

The accompanying notes form an integral part of these financial statements.

The financial statements of Standard Life Private Equity Trust plc, registered number SC216638 on pages 52 to 70 were approved and authorised for issue by the Board of Directors on 8 January 2020 and were signed on its behalf by Christina McComb, Chair.

Christina McComb
Chair

8 January 2020

Financial Statements

Statement of Changes in Equity

For the year ended 30 September 2019

	Notes	Called-up share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 1 October 2018		**307**	**86,485**	**51,503**	**94**	**522,974**	**-**	**661,363**
Profit after taxation		-	-	-	-	63,886	4,206	**68,092**
Dividends paid	7	-	-	-	-	(15,166)	(4,206)	**(19,372)**
Balance at 30 September 2019	14,15	**307**	**86,485**	**51,503**	**94**	**571,694**	**-**	**710,083**

For the year ended 30 September 2018

	Notes	Called-up share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 1 October 2017		**307**	**86,485**	**51,503**	**94**	**448,751**	**11,852**	**598,992**
Profit after taxation		-	-	-	-	77,791	3,337	**81,128**
Dividends paid	7	-	-	-	-	(3,568)	(15,189)	**(18,757)**
Balance at 30 September 2018	14,15	**307**	**86,485**	**51,503**	**94**	**522,974**	**-**	**661,363**

The accompanying notes form an integral part of these financial statements.

Financial Statements

Statement of Cash Flows

	Notes	For the year ended 30 September 2019		For the year ended 30 September 2018	
		£'000	£'000	£'000	£'000
Cashflows from operating activities					
Profit before taxation			**68,610**		**82,416**
Adjusted for:					
Finance costs	5		801		911
Gains on disposal of investments	9		(7,833)		(51,351)
Revaluation of investments	9		(62,012)		(31,032)
Currency gains	15		(340)		(972)
Increase in debtors			(251)		(362)
Increase in creditors			442		215
Tax deducted from non-UK income	6		(518)		(1,288)
Interest paid			(712)		(770)
Net cash outflow from operating activities			**(1,813)**		**(2,233)**
Investing activities					
Purchase of investments		(111,431)		(141,533)	
Disposal of capital proceeds by funds		110,695		122,845	
Disposal of quoted investments		30,455		2,499	
Net cash inflow / (outflow) from investing activities			**29,719**		**(16,189)**
Financing activities					
Ordinary dividends paid	7	(19,372)		(18,757)	
Net cash outflow from financing activities			**(19,372)**		**(18,757)**
Net increase / (decrease) in cash and cash equivalents			**8,534**		**(37,179)**
Cash and cash equivalents at the beginning of the year			57,441		93,648
Currency gains on cash and cash equivalents			340		972
Cash and cash equivalents at the end of the year			**66,315**		**57,441**
Cash and cash equivalents consist of:					
Money-market funds			12,773		50,115
Cash and short-term deposits			53,542		7,326
Cash and cash equivalents			**66,315**		**57,441**

The accompanying notes form an integral part of these financial statements.

Financial Statements

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of accounting
The financial statements have been prepared in accordance with the Companies Act 2006, Financial Reporting Standard 102 and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts (the 'SORP'), issued in November 2014 and updated in February 2018 with consequential amendments. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The financial statements have been prepared on a going concern basis. The directors believe that this is appropriate for the reasons outlined in the Directors' Report on page 43. The principal accounting policies adopted are set out below. These policies have been applied consistently throughout the current and prior year.

Rounding is applied to the disclosures in these financial statements, where considered relevant.

(b) Revenue, expenses and finance costs
Dividends from quoted investments are included in revenue by reference to the date on which the investment is quoted ex-dividend. Other interest receivable is dealt with on an accruals basis. Dividends and income from unquoted investments are included when the right to receipt is established, which is the notice value date. Dividends are accounted for as revenue in the Statement of Comprehensive Income.

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue account of the Statement of Comprehensive Income except as follows:

- transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the Statement of Comprehensive Income;

- the Company charges 90% of investment management fees and finance costs to capital, in accordance with the Board's expected long-term split of returns between capital gains and income from the Company's investment portfolio. Bank interest expense has arisen as a consequence of negative interest rates on Euro cash balances and has been charged wholly to revenue.

(c) Investments
Investments have been designated upon initial recognition as fair value through profit or loss. On the date of making a legal commitment to invest in a fund or co-investment, such commitment is recorded and disclosed. When funds are drawn in respect of such a commitment, the resulting investment is recognised in the financial statements. The investment is removed when it is realised or when the investment is wound up. Subsequent to initial recognition, investments are valued at fair value as detailed below. Gains and losses arising from changes in fair value are included as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the capital reserves.

Unquoted investments are stated at the directors' estimate of fair value and follow the recommendations of the European Private Equity & Venture Capital Association ("EVCA") and the British Private Equity & Venture Capital Association ("BVCA"). The estimate of fair value is normally the latest valuation placed on an investment by its manager as at the Statement of Financial Position date. The valuation policies used by the manager in undertaking that valuation will generally be in line with the joint publication from the EVCA and the BVCA, 'International Private Equity and Venture Capital Valuation guidelines'. Where formal valuations are not completed as at the Statement of Financial Position date, the last available valuation from the manager is adjusted for any subsequent cash flows occurring between the valuation date and the Statement of Financial Position date. The Company's Manager may further adjust such valuations to reflect any changes in circumstances from the manager's last formal valuation date to arrive at the estimate of fair value.

For quoted investments, which were actively traded on recognised stock exchanges, fair value is determined by reference to their quoted bid prices on the relevant exchange as at the close of business on the last trading day of the Company's financial year.

(d) Dividends payable - Interim and final dividends are recognised in the period in which they are paid. Scrip dividends are recognised in the period in which shares are issued.

(e) Capital and reserves
Share premium - The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs.

Special reserve - Court approval was given on 27 September 2001 for 50% of the initial premium arising on the issue of the ordinary share capital to be cancelled and transferred to a special reserve. The reserve is a distributable reserve and may be applied in any manner as a distribution, other than by way of a dividend.

Notes to the Financial Statements

1. Accounting Policies (continued)

(e) Capital and reserves (continued)
Capital redemption reserve - this reserve is used to record the amount equivalent to the nominal value of any of the Company's own shares purchased and cancelled in order to maintain the Company's capital.

Capital reserves:
Capital reserve - gains/(losses) on disposal - Represents gains or losses on investments realised in the period that have been recognised in the Statement of Comprehensive Income, in addition to the transfer of any previously recognised unrealised gains or losses on investments within "Capital reserve - revaluation" upon disposal. This reserve also represents other accumulated capital related items and expenditure such as management fees, finance costs and other currency gains/losses from non-investment activity.

Capital reserve - revaluation - Represents increases and decreases in the fair value of investments that have been recognised in the Statement of Comprehensive Income during the period.

Revenue reserve - The revenue reserve represents accumulated revenue profits retained by the Company that have not been distributed to shareholders as a dividend.

The revenue and capital realised reserves represent the amount of the Company's reserves distributable by way of dividend.

(f) Taxation
i) Current taxation - Provision for corporation tax is made at the current rate on the excess of taxable income net of any allowable deductions. In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital in the Statement of Comprehensive Income is the "marginal basis". Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital column. Withholding tax suffered on income from overseas investments is taken to the revenue column of the Statement of Comprehensive Income.

ii) Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the Statement of Financial Position date, measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

Due to the Company's status as an investment trust company, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(g) Foreign currency translation, functional and presentation currency
Foreign currency translation - Transactions in foreign currencies are converted to sterling at the exchange rate ruling at the date of the transaction. Overseas assets and liabilities are translated at the exchange rate prevailing at the Company's Statement of Financial Position date. Gains or losses on translation of investments held at the year-end are accounted for through the Statement of Comprehensive Income and transferred to capital reserves. Gains or losses on the translation of overseas currency balances held at the year-end are also accounted for through the Statement of Comprehensive Income and transferred to capital reserves.

Functional and presentation currency - For the purposes of the financial statements, the results and financial position of the Company is expressed in sterling, which is the functional and the presentation currency of the Company.

Rates of exchange to sterling at 30 September were:

	2019	2018
Canadian dollar	1.6316	1.6856
Euro	1.1304	1.1227
US dollar	1.2323	1.3041

Transactions in overseas currency are translated at the exchange rate prevailing on the date of transaction.

Financial Statements

Notes to the Financial Statements

1. Accounting Policies (continued)

The Company's investments are made in a number of currencies. However, the Board considers the Company's functional currency to be sterling. In arriving at this conclusion, the Board considers that the shares of the Company are listed on the London Stock Exchange. The Company is regulated in the United Kingdom, principally having its shareholder base in the United Kingdom, pays dividends as well as expenses in sterling.

(h) Cash and cash equivalents - Cash comprises bank balances and cash held by the Company. Cash equivalents comprise money-market funds which are used by the Company to provide additional short-term liquidity. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Debtors - Debtors are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less the appropriate allowances for estimated irrecoverable amounts.

(j) Creditors - Creditors are recognised initially at fair value. They are subsequently stated at amortised cost using the effective interest method.

(k) Segmental reporting - The Directors are of the opinion that the Company is engaged in a single segment of business activity, being investment business. Consequently, no business segmental analysis is provided.

(l) Judgements and key sources of estimation uncertainty - The preparation of financial statements requires the Company to make estimates and assumptions and exercise judgements in applying the accounting policies that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses arising during the year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The area where estimates and assumptions have the most significant effect on the amounts recognised in the financial statements is the determination of fair value of unquoted investments, as disclosed in note 1(c).

2. Income	**Year to 30 September 2019 £'000**	**Year to 30 September 2018 £'000**
Income from fund investments	5,251	6,305
Income from quoted investments	806	248
Interest from cash balances and money-market funds	629	402
Total income	**6,686**	**6,955**

3. Investment management fees	**Year to 30 September 2019**			**Year to 30 September 2018**		
	Revenue £'000	**Capital £'000**	**Total £'000**	**Revenue £'000**	**Capital £'000**	**Total £'000**
Investment management fee	646	5,817	6,463	599	5,388	5,987

The Manager to the Company is SL Capital Partners LLP. In order to comply with the Alternative Investment Fund Managers Directive, the Company appointed SL Capital Partners LLP as its Alternative Investment Fund Manager from 1 July 2014.

The investment management fee payable to the Manager is 0.95% per annum of the NAV of the Company. The investment management fee is allocated 90% to the realised capital reserve and 10% to the revenue account. The management agreement between the Company and the Manager is terminable by either party on twelve months written notice.

Investment management fees due to the Manager as at 30 September 2019 amounted to £799,000 (2018: £553,000).

Notes to the Financial Statements

4. Administrative expenses	Year to 30 September 2019 £'000	Year to 30 September 2018 £'000
Directors' fees	243	237
Employer's National Insurance	27	26
Secretarial and administration fees	202	189
Marketing/advertising	178	197
Depositary fees	84	106
Fees and subscriptions	59	37
Auditor's remuneration - statutory audit	33	32
- interim review	11	12
Professional and consultancy fees	37	70
Legal fees	8	7
Other expenses	115	83
Total	**997**	**996**

Irrecoverable VAT has been shown under the relevant expense line.

On 1 January 2019 the Company appointed IQ EQ Administration Services (UK) Ltd as its Administrator replacing BNP Paribas Securities S.A.. The current year administration figures are in respect of services provided by both BNP Paribas Securities S.A. and IQ EQ Administration Services (UK) Ltd. The administration fee payable to IQ EQ Administration Services (UK) Ltd. is adjusted annually in line with the retail price index ("RPI"). The prior year figures are in respect of the services provided only by BNP Paribas Securities S.A.. The administration agreement is terminable by the Company on three months' notice.

As of 6 September 2019, the secretarial agreement with Maven Capital Partners UK LLP was terminated. Aberdeen Asset Management PLC has assumed responsibility for the provision of the company secretarial services to the Company from that date. The agreement with Aberdeen Asset Management PLC is terminable by the Company on six months' notice.

The emoluments paid to the directors during the year can be found in the Directors' Remuneration Report on page 40.

5. Finance costs	Year to 30 September 2019			Year to 30 September 2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loan commitment fee	56	504	560	56	504	560
Bank interest expense*	118	-	118	209	-	209
Bank loan arrangement fee	12	111	123	14	128	142
Total	**186**	**615**	**801**	**279**	**632**	**911**

* Bank interest expense includes negative interest on euro-denominated money-market funds.

Notes to the Financial Statements

6. Taxation	Year to 30 September 2019 £'000	Year to 30 September 2018 £'000
(a) Analysis of the tax charge throughout the year		
Overseas withholding tax	**518**	**1,288**

	Year to 30 September 2019			Year to 30 September 2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(b) Factors affecting the total tax charge for the year						
Return before taxation	**4,857**	**63,753**	**68,610**	**5,081**	**77,335**	**82,416**

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below.

	Year to 30 September 2019			Year to 30 September 2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return multiplied by the effective rate of corporation tax in the UK - 19.0% (2018: 19.0%)	923	12,113	13,036	965	14,694	15,659
Non-taxable capital gains on investments[1]	-	(13,271)	(13,271)	-	(15,653)	(15,653)
Non-taxable currency gains	-	(65)	(65)	-	(185)	(185)
Non-taxable income	(790)	-	(790)	(509)	-	(509)
Overseas withholding tax	518	-	518	1,288	-	1,288
Surplus management expenses and loan relationship deficits not relieved	-	1,090	1,090	-	688	688
Total tax charge/(credit) for the year	**651**	**(133)**	**518**	**1,744**	**(456)**	**1,288**

[1] The Company carries on business as an investment trust company with respect to sections 1158-1159 of the Corporation Tax Act 2010. As such any capital gains are exempt from UK taxation.

(c) Factors that may affect future tax charges
At the year-end there is a potential deferred tax asset of £2,134,000 (2018: £1,315,000) in relation to excess management expenses carried forward. The deferred tax asset is unrecognised at the year-end in line with the Company's stated accounting policy.

Changes to the UK corporation tax rates were substantially enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the Statement of Financial Position date have been measured at these enacted rates and reflected in these financial statements.

Financial Statements

Notes to the Financial Statements

7. Dividend on ordinary shares	Year to 30 September 2019 £'000	Year to 30 September 2018 £'000
Amount recognised as a distribution to equity holders in the year:		
2018 third quarterly dividend of 3.10p (2017: nil) per ordinary share paid on 26 October 2018	4,766	-
2018 final dividend of 3.10p (2017: 6.00p) per ordinary share paid on 25 January 2019 (2018: paid on 31 January 2018)	4,766	9,225
2019 first quarterly dividend of 3.20p (2018: 3.10p) per ordinary share paid on 26 April 2019 (2018: paid on 27 April 2018)	4,920	4,766
2019 second quarterly dividend of 3.20p (2018: 3.10p) per ordinary share paid on 26 July 2019 (2018: paid on 27 July 2018)	4,920	4,766
Total	**19,372**	**18,757**

Set out below are the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of sections 1158-1159 of the Corporation Tax Act 2010 are considered. The total revenue and capital profits available for distribution by way of a dividend for the year is £68,092,000 (2018: £81,128,000).

	Year to 30 September 2019 £'000	Year to 30 September 2018 £'000
2019 first quarterly dividend of 3.20p (2018: 3.10p) per ordinary share paid on 26 April 2019 (2018: paid on 27 April 2018)	4,920	4,766
2019 second quarterly dividend of 3.20p (2018: 3.10p) per ordinary share paid on 26 July 2019 (2018: paid on 27 July 2018)	4,920	4,766
2019 third quarterly dividend of 3.20p (2018: 3.10p) per ordinary share paid on 25 October 2019 (2018: paid on 26 October 2018)	4,920	4,766
2019 fourth quarterly dividend of 3.20p per ordinary share (2018 final dividend: 3.10p per ordinary share) due to be paid on 24 January 2020 (2018: paid on 25 January 2019).	4,920	4,766
Total	**19,680**	**19,064**

8. Earnings per share - basic and diluted	Year to 30 September 2019		Year to 30 September 2018	
	p	£'000	p	£'000
The net return per ordinary share is based on the following figures:				
Revenue net return	2.74	4,206	2.17	3,337
Capital net return	41.55	63,886	50.60	77,791
Total net return	**44.29**	**68,092**	**52.77**	**81,128**
Weighted average number of ordinary shares in issue:		153,746,294		153,746,294

There are no diluting elements to the earnings per share calculation in 2019 (2018: none).

Financial Statements

Notes to the Financial Statements

9. Investments	30 September 2019			30 September 2018		
	Quoted Investments £'000	Unquoted Investments £'000	Total £'000	Quoted Investments £'000	Unquoted Investments £'000	Total £'000
Fair value through profit or loss:						
Opening market value	29,020	574,689	603,709	1,399	503,708	505,107
Opening investment holding losses/(gains)	26	(58,899)	(58,873)	310	(28,151)	(27,841)
Opening book cost	**29,046**	**515,790**	**544,836**	**1,709**	**475,557**	**477,266**
Movements in the year:						
Additions at cost	13,352	81,568	94,920	30,020	89,658	119,678
Secondary purchases	-	36,063	36,063	-	21,885	21,885
Distribution of capital proceeds by funds	-	(132,541)	(132,541)	-	(122,845)	(122,845)
Disposal of quoted investments	(33,263)	-	(33,263)	(2,499)	-	(2,499)
	9,135	**500,880**	**510,015**	**29,230**	**464,255**	**493,485**
Gains on disposal of underlying investments	-	11,600	11,600	-	78,611	78,611
Gains/(losses) on disposal of quoted investments	1,984	-	1,984	(184)	-	(184)
Losses on liquidation of fund investments[1]	-	(5,751)	(5,751)	-	(27,076)	(27,076)
Closing book cost	**11,119**	**506,729**	**517,848**	**29,046**	**515,790**	**544,836**
Closing investment holding gains / (losses)	316	120,569	120,885	(26)	58,899	58,873
Closing market value	**11,435**	**627,298**	**638,733**	**29,020**	**574,689**	**603,709**

[1] Relates to the write off of investments which were previously already provided for.

	30 September 2019			30 September 2018		
	£'000	£'000	£'000	£'000	£'000	£'000
Gains / (losses) on investments held at fair value through profit or loss based on historical costs	1,984	5,849	7,833	(184)	51,535	51,351
Losses / (gains) recognised as unrealised in previous years in respect of distributed capital proceeds or disposal of investments	387	(7,612)	(7,225)	310	7,458	7,768
Gains / (losses) on distributions of capital proceeds or disposal of investments based on the carrying value at the previous balance sheet date	**2,371**	**(1,763)**	**608**	**126**	**58,993**	**59,119**
Net movement in unrealised investment (losses) / gains	(45)	69,282	69,237	(26)	23,290	23,264
Total capital gains on investments held at fair value through profit or loss	**2,326**	**67,519**	**69,845**	**100**	**82,283**	**82,383**

Transaction costs

During the year expenses were incurred in acquiring or disposing of investments. These have been expensed through capital and are included within capital gains on investments in the Statement of Comprehensive Income. The total costs were as follows:

	30 September 2019 £'000	30 September 2018 £'000
Purchases	156	285
Sales	-	1
	156	**286**

Notes to the Financial Statements

10. Receivables falling due after one year	30 September 2019 £'000	30 September 2018 £'000
Amounts falling due after one year:		
Investments receivable	**15,173**	**-**

£15,173,000 of the receivables falling due after one year and £6,674,000 of the investments receivable per note 11 relate to future proceeds which are due from secondary sales of fund investments during the period. Under the terms of the transaction, the proceeds of sale are to be received at an agreed future date.

11. Receivables	30 September 2019 £'000	30 September 2018 £'000
Amounts falling due within one year:		
Investments receivable	9,550	-
Interest receivable	679	493
Unamortised loan arrangement fees	154	277
Corporation tax recoverable	202	200
Prepayments	55	78
Total	**10,640**	**1,048**

12. Payables	30 September 2019 £'000	30 September 2018 £'000
Amounts falling due within one year:		
Investments payable [1]	19,552	-
Management fee	799	553
Bank interest [2]	11	63
Secretarial and administration fee	26	38
Accruals and deferred income	390	181
Total	**20,778**	**835**

[1] The investments payable balance relates to the future payment due for the secondary acquisition of fund investments during the period.
[2] Bank interest payable includes negative interest on euro-denominated money-market funds.

13. Bank loans

At 30 September 2019, the Company had an £80 million (2018: £80 million) committed, multi-currency syndicated revolving credit facility provided by Citibank and Société Générale of which £nil (2018: £nil) had been drawn down. The facility expires on 31 December 2020. The interest rate on this facility is LIBOR plus 1.50%, rising to 1.70% depending on utilisation and the commitment fee payable on non-utilisation is 0.7% per annum.

Since the year end, the Board has increased the Company's borrowing facility, with Citibank and Société Générale, to £100m and has extended the expiry date to December 2024.

14. Called-up share capital	30 September 2019 £'000	30 September 2018 £'000
Issued and fully paid:		
Ordinary shares of 0.2p		
Opening balance of 153,746,294 (2018: 153,746,294) ordinary shares	307	307
Closing balance of 153,746,294 (2018: 153,746,294) ordinary shares	**307**	**307**

The Company may buy back its own shares where it is judged to be beneficial to shareholders, taking into account the discount between the Company's NAV and the share price, and the supply and demand for the Company's shares in the open market.

No shares were bought back during the year (2018: nil).

Notes to the Financial Statements

15. Reserves				Capital reserves		
	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Gains/ (losses) on disposal £'000	Revaluation £'000	Revenue reserve £'000
Opening balances at 1 October 2018	**86,485**	**51,503**	**94**	**464,101**	**58,873**	**-**
Gains on disposal of investments	-	-	-	7,833	-	-
Management fee charged to capital	-	-	-	(5,817)	-	-
Finance costs charged to capital	-	-	-	(615)	-	-
Tax relief on management fee and finance costs above	-	-	-	133	-	-
Currency gains	-	-	-	340	-	-
Revaluation of investments	-	-	-	-	62,012	-
Return after taxation	-	-	-	-	-	4,206
Dividends during the year	-	-	-	(15,166)	-	(4,206)
Closing balances at 30 September 2019	**86,485**	**51,503**	**94**	**450,809**	**120,885**	**-**

The revenue and capital reserve - gain/loss on disposal represent the amounts of the Company's reserve distributable by way of dividend.

16. Net asset value per equity share	30 September 2019	30 September 2018
Basic and diluted:		
Ordinary shareholders' funds	£710,082,563	£661,363,392
Number of ordinary shares in issue	153,746,294	153,746,294
Net asset value per ordinary share	461.9p	430.2p

The net asset value per ordinary share and the ordinary shareholders' funds are calculated in accordance with the Company's articles of association.

There are no diluting elements to the net asset value per equity share calculation in 2019 (2018: none).

17. Commitments and contingent liabilities	30 September 2019 £'000	30 September 2018 £'000
Outstanding calls on investments	**450,272**	**369,275**

This represents commitments made to fund and co-investment interests remaining undrawn.

18. Parent undertaking and related party transactions

The ultimate parent undertaking of the Company is Phoenix Group Holdings. The results for the year to 30 September 2019 are incorporated into the group financial statements of Phoenix Group Holdings, which will be available to download from the website www.thephoenixgroup.com.

Standard Life Assurance Limited ("SLAL", which is 100% owned by Phoenix Group Holdings), and the Company have entered into a relationship agreement which provides that, for so long as SLAL and its associates exercise, or control the exercise of, 30% or more of the voting rights of the Company, SLAL and its associates will not seek to enter into any transaction or arrangement with the Company which is not conducted at arm's length and on normal commercial terms, take any action that would have the effect of preventing the Company from carrying on an independent business as its main activity, or from complying with its obligations under the Listing Rules or propose or procure the proposal of any shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules. During the year ended 30 September 2019, SLAL received dividends from the Company totalling £10,850,000 (2018: £10,568,000).

Notes to the Financial Statements

18. Parent undertaking and related party transactions (continued)

As at 30 September 2018, the Company was invested in the Standard Life Investments Liquidity Funds. During an Extraordinary General Meeting held on 21 September 2018, a resolution was passed to merge the Standard Life Investments Liquidity Funds into Aberdeen Liquidity Funds. The effective date of the merger was 5 October 2018. As at 30 September 2019, the Company was invested in the Aberdeen Liquidity Funds, managed by Aberdeen Standard Investments (Lux), which share the same ultimate parent as the Manager. As at 30 September 2019 the Company had invested £600,000 in the Aberdeen Liquidity Funds (30 September 2018: £14,163,000) which are included within cash and cash equivalents in the Statement of Financial Position. During the year, the Company received interest amounting to £5,000 (2018: £3,000) on sterling denominated positions. The Company incurred £22,000 (2018: £91,000) interest on euro-denominated positions as a result of negative interest rates. As at 30 September 2019 no interest was due to the Company on sterling-denominated positions (2018: £nil) and there was no interest payable on euro-denominated positions (2018: £nil). No additional fees are payable to Aberdeen Standard Investments (Lux) as a result of this investment.

During the year ended 30 September 2019 the Manager charged management fees totalling £6,463,000 (2018: £5,987,000) to the Company in the normal course of business. The balance of management fees outstanding at 30 September 2019 was £799,000 (2018: £553,000).

No other related party transactions were undertaken during the year ended 30 September 2019.

19. Risk management, financial assets and liabilities

Financial assets and liabilities
The Company's financial instruments comprise fund and other investments, money-market funds, cash balances, debtors and creditors that arise from its operations. The assets and liabilities are managed with the overall objective of achieving long-term total returns for shareholders.

Summary of financial assets and financial liabilities by category
The carrying amounts of the Company's financial assets and financial liabilities, as recognised at the Statement of Financial Position date of the reporting periods under review, are categorised as follows:

	30 September 2019 £'000	30 September 2018 £'000
Financial assets		
Financial assets at fair value through profit or loss:		
Fixed asset investments – designated as such on initial recognition	638,733	603,709
Financial assets measured at amortised cost:		
Receivables falling due after one year	15,173	-
Debtors (accrued income and other debtors)	10,640	1,048
Money-market funds, cash and short-term deposits	66,315	57,441
	730,861	**662,198**
Financial liabilities		
Measured at amortised cost:		
Creditors: amounts falling due within one year	19,552	-
Accruals	1,226	835
	20,778	**835**

Fair values of financial assets and financial liabilities
The carrying value of the current assets and liabilities is deemed to be fair value due to the short-term nature of the instruments and/or the instruments bearing interest at the market rates.

Notes to the Financial Statements

19. Risk management, financial assets and liabilities (continued)

Risk management
The directors manage investment risk principally through setting an investment policy and by contracting management of the Company's investments to an investment manager under terms which incorporate appropriate duties and restrictions and by monitoring performance in relation to these. The Company's investments are in private equity funds, typically unquoted limited partnerships and co-investments. These are valued by their managers generally in line with the EVCA and the BVCA guidelines, which provide for a fair value basis of valuation. The funds may hold investments that have become quoted or the co-investment may become quoted and these will be valued at the appropriate listed price, subject to any discount for marketability restrictions.

As explained in the Company's investment policy, risk is spread by investing across a range of countries and industrial sectors, thereby reducing excessive exposure to particular areas. The Manager's investment review and monitoring process is used to identify and, where possible, reduce risk of loss of value in the Company's investments.

The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, over-commitment risk, liquidity risk, credit risk and interest rate risk.

The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the Company are discussed below.

Market risk

a) Price risk
The Company is at risk of the economic cycle impacting the listed financial markets and hence potentially affecting the pricing of new underlying investments, the valuation of existing underlying investments and the price and timing of exits. By having a diversified and rolling portfolio of investments the Company is well placed to take advantage of economic cycles.

100% of the Company's investments are held at fair value. The valuation methodology employed by the managers of the unquoted investments may include the application of EBITDA ratios derived from listed companies with similar characteristics. Therefore, the value of the Company's portfolio is indirectly affected by price movements on listed financial exchanges. A 10% increase in the valuation of investments at 30 September 2019 would have increased the net assets attributable to the Company's shareholders and the total return for the year by £63,873,000 (2018: £60,371,000); a 10% change in the opposite direction would have decreased the net assets attributable to the Company's shareholders and the total return for the year by an equivalent amount. Due to the private nature of the underlying companies in which the Company's funds are invested, it is not possible for the Company to pinpoint the effect to the Company's net assets of changes to the EBITDA ratios of listed markets any more accurately.

b) Currency risk
The Company makes fund commitments in currencies other than sterling and, accordingly, a significant proportion of its investments and cash balances are in currencies other than sterling. In addition, the Company's syndicated revolving credit facility is a multi-currency facility. Therefore, the Company's net asset value is sensitive to movements in foreign exchange rates.

The Company's syndicated revolving credit facility is a multi-currency facility. As at 30 September 2019, the facility is undrawn (2018: undrawn) and therefore there is no impact to the Company's NAV from foreign exchange rate movements. When the facility is drawn to fund investments, it is typically drawn in the currency of the investment and would therefore provide a notional hedging effect to the Company's foreign exchange exposure.

The Manager monitors the Company's exposure to foreign currencies and reports to the Board on a regular basis. It is not the Company's policy to hedge foreign currency risk. It is expected that the majority of the Company's commitments and investments will be denominated in euros. Accordingly, the majority of the Company's liquidity and any indebtedness is usually held in that currency. No currency swaps or forwards were used during the year.

Financial Statements

Notes to the Financial Statements

19. Risk management, financial assets and liabilities (continued)

The table below sets out the Company's currency exposure.

	30 September 2019		30 September 2018	
	Local Currency '000	Sterling Equivalent £'000	Local Currency '000	Sterling Equivalent £'000
Fixed asset investments:				
Canadian dollar	2,265	1,388	16,502	9,790
Euro	617,067	545,908	565,872	504,028
Sterling	49,211	49,211	39,891	39,891
US dollar	52,035	42,226	65,203	50,000
Money-market funds, cash and short-term deposits:				
Canadian dollar	5,103	3,128	-	-
Euro	49,324	43,636	33,048	29,436
Sterling	4,711	4,711	9,071	9,071
US dollar	18,287	14,840	24,691	18,934
Investment receivable:				
Euro	13,128	11,614	-	-
Sterling	335	335	-	-
US dollar	3,973	3,224	-	-
Other debtors and creditors:				
Canadian dollar	4,462	2,735	-	-
Euro	(22,148)	(19,594)	(71)	(63)
Sterling	52	52	(149)	(149)
US dollar	8,218	6,669	554	425
Total		**710,083**		**661,363**
Outstanding commitments:				
Euro	430,257	380,641	326,280	290,622
Sterling	17,456	17,456	24,140	24,140
US dollar	64,295	52,175	71,088	54,513
Total		**450,272**		**369,275**

c) Currency sensitivity
During the year ended 30 September 2019 sterling appreciated by 0.7% relative to the euro (2018: depreciated 1.1%) and depreciated by 5.5% relative to the US dollar (2018: appreciated 2.8%).

To highlight the sensitivity to currency movements, if the value of sterling had weakened against both of the above currencies by 10% compared to the exchange rates at 30 September 2019, the capital gain would have increased for the year by £71,845,000 (2018: increase of £67,988,000); a 10% change in the opposite direction would have decreased the capital gain for the year by £58,783,000 (2018: £55,653,000).

The calculations above are based on the portfolio valuation and cash and loan balances as at the respective Statement of Financial Position dates and are not necessarily representative of the year as a whole.

Notes to the Financial Statements

19. Risk management, financial assets and liabilities (continued)

Based on similar assumptions, the amount of outstanding commitments would have increased by £43,282,000 at the year-end (2018: £38,348,000), a 10% change in the opposite direction would have decreased the amount of outstanding commitments by £39,347,000 (2018: £31,376,000).

Liquidity risk

The Company has significant investments in unquoted investments which are relatively illiquid. As a result, the Company may not be able to quickly liquidate its investments in these funds at an amount close to their fair value in order to meet its liquidity requirements, including the need to meet outstanding undrawn commitments. The Company manages its liquid investments to ensure sufficient cash is available to meet contractual commitments and also seeks to have cash available to meet other short-term financial needs. Short-term flexibility is achieved, where necessary, through the use of the syndicated revolving multi-currency loan facility. Liquidity risk is monitored by the Manager on an ongoing basis and by the Board on a regular basis. Current liabilities, as disclosed in note 12, all fall due within one year and the loan facility, as described in note 13, remains undrawn.

Credit risk

Credit risk is the exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits. The Company places funds with authorised deposit takers from time to time and, therefore, is potentially at risk from the failure of any such institution. At the year-end, the Company's financial assets exposed to credit risk amounted to the following:

	30 September 2019 £'000	30 September 2018 £'000
Money-market funds, cash and short-term deposits	66,315	57,441
Investments receivable	15,173	-
	81,487	**57,441**

The Company's cash is held by BNP Paribas Securities Services S.A., which is rated 'A' by Standard and Poors. The Company's money-market funds are held in two Aberdeen Standard Investments (Lux) Liquidity funds as well as in Société Générale money-market funds. The Aberdeen Standard Investments (Lux) Liquidity fund is rated 'AAA' by Standard and Poors, while Société Générale and BNP Paribas Securities Services S.A., is rated 'A' and 'A+' by Standard and Poors respectively. Should the credit quality or the financial position of either bank deteriorate significantly, the Manager would move the cash balances to another institution.

As at 30 September 2019, £15,173,000 of the receivables falling due after one year and £6,674,000 of the investments receivable per note 11 relate to future proceeds which are due from the secondary sale of fund investments during the period. Under the terms of the transaction, the proceeds of sale are to be received at an agreed future date.

The Manager considers the credit risk associated with these balances to be in line with those arising from the normal course of business. To date, the buyer has met the payment profile outlined and agreed in the contractually binding sales and purchase agreement. The Manager continues to monitor market developments which may affect this assessment.

Interest rate risk

The Company will be affected by interest rate changes as it holds some interest bearing financial assets and liabilities which are shown in the table below, however, the majority of its financial assets are investments in private equity investments which are non-interest bearing. Interest rate movements may affect the level of income receivable on money-market funds and cash deposits and interest payable on the Company's variable rate borrowings. The possible effects on the cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions. Derivative contracts are not used to hedge against any exposure to interest rate risk.

Notes to the Financial Statements

19. Risk management, financial assets and liabilities (continued)

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the Statement of Financial Position date was as follows:

	30 September 2019		30 September 2018	
	Weighted average interest rate %	£'000	Weighted average interest rate %	£'000
Floating rate				
Financial assets: Money-market funds, cash and short-term deposits	**0.04**	**66,315**	**0.71**	**57,441**

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on the bank balances is based on the interest rate payable, weighted by the total value of the balances. The weighted average period for which interest rates are fixed on the bank balances is 31.0 days (2018: 31.0 days). The loan facility, as disclosed on note 13, remains undrawn.

Interest rate sensitivity

An increase of 1% in interest rates would have decreased the net assets attributable to the Company's shareholders and decreased the total gain for the year ended 30 September 2019 by £2,000 (2018: £5,000). A decrease of 1% would have increased the net assets attributable to the Company's shareholders and increased the total gain for the year ended 30 September 2019 by an equivalent amount. The calculations are based on the interest paid and received during the year.

20. Fair Value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

The Company's financial assets and liabilities, measured at fair value in the Statement of Financial Position, are grouped into the following fair value hierarchy at 30 September 2019:

Financial assets at fair value through profit or loss	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investments	-	-	627,298	627,298
Quoted investments	11,435	-	-	11,435
Net fair value	**11,435**	**-**	**627,298**	**638,733**

As at 30 September 2018

Financial assets at fair value through profit or loss	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investments	-	-	574,689	574,689
Quoted investments	29,020	-	-	29,020
Net fair value	**29,020**	**-**	**574,689**	**603,709**

Financial Statements

Notes to the Financial Statements

20. Fair Value hierarchy (continued)

Unquoted investments

Unquoted investments are stated at the directors' estimate of fair value and follow the recommendations of the EVCA and the BVCA. The estimate of fair value is normally the latest valuation placed on an investment by its manager as at the Statement of Financial Position date. The valuation policies used by the manager in undertaking that valuation will generally be in line with the joint publication from the EVCA and the BVCA, 'International Private Equity and Venture Capital Valuation guidelines'. Fair value can be calculated by the manager of the investment in a number of ways. In general, the managers with whom the Company invests adopt a valuation approach which applies an appropriate comparable listed company multiple to a private company's earnings or by reference to recent transactions. Where formal valuations are not completed as at the Statement of Financial Position date, the last available valuation from the manager is adjusted for any subsequent cash flows occurring between the valuation date and the Statement of Financial Position date. The Company's Manager may further adjust such valuations to reflect any changes in circumstances from the manager's last formal valuation date to arrive at the estimate of fair value.

Quoted investments

At 30 September 2019, the Company's investments included shares which were actively traded on recognised stock exchanges, with their fair value of £11,435,000 being determined by reference to their quoted bid prices as at the close of business on the last trading day of the Company's financial year (2018: £29,020,000).

Securities Financing Transactions (SFT)

The Company has not, in the year to 30 September 2019 (2018: none) participated in any repurchase transactions, securities lending or borrowing, buy-sell back transactions, margin lending transactions or total return swap transactions (collectively called SFT). As such, it has no disclosure to make in satisfaction to the EU regulations on transparency of SFT.

21. Post balance sheet events

Since the year end, the Board has increased the Company's borrowing facility, with its existing lenders, Citibank and Société Générale, to £100m and has extended the expiry date to December 2024.

Glossary of Terms & Definitions

Alternative Performance Measures

Alternative performance measures ("APMs") are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies. The APMs used by the Company are marked with an * in this glossary and the underlying data used to calculate them is provided.

Buy-out fund

A fund which acquires controlling stakes in established private companies.

Co-investment

An investment made directly into a private company alongside other private equity managers.

Commitment

The amount committed by the Company to a fund investment, whether or not such amount has been advanced in whole or in part by or repaid in whole or in part to the Company. (see also Over-commitment)

Comparator Index

A market index against which the overall performance of the Company can be assessed. The manager does not manage the portfolio with direct reference to any index or its constituents.

Discount / Premium*

The amount by which the market price per share is lower (discount) or higher (premium) than the net asset value per share of an investment trust. The discount or premium is normally expressed as a percentage of the net asset value per share.

	2019	2018
Share price (p)	352.0	345.5
Net Asset Value per share (p)	461.9	430.2
(Discount) (%)	(23.8)	(19.7)

Dividend yield*

The annual dividend per ordinary share divided by the share price, expressed as a percentage.

	2019	2018
Dividend per share (p)	12.8	12.4
Share price (p)	352.0	345.5
Dividend yield (%)	3.6	3.6

Distribution

A return that an investor in a private equity fund receives. Within the Annual Report and Financial Statements, the terms "cash realisations" and "distributions" are used interchangeably, the figure being derived as follows: proceeds from disposal of underlying investments by funds, plus income from those fund investments less overseas withholding tax suffered.

Drawdown

A portion of a commitment which is called to pay for an investment.

Dry powder

Capital committed by investors to private equity funds that has yet to be invested.

EBITDA

Earnings before interest expense, taxes, depreciation and amortisation.

Enterprise value ("EV")

The value of the financial instruments representing ownership interests in a company plus the net financial debt of the company.

IPO

Initial Public Offering, the first sale of stock by a private company to the public market.

Net Asset Value (NAV)

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

NAV total return*

NAV total return shows how the NAV has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. This involves reinvesting the net dividend into the NAV at the end of the quarter in which the shares go ex-dividend. Returns are calculated to each quarter end in the year and then the total return for the year is derived from the product of these individual returns.

	NAV per share (p)	Dividend per share (p)
30 Sep 18	430.2	
31 Dec 18	428.2	3.1
31 Mar 19	426.7	3.1
30 Jun 19	452.8	3.2
30 Sep 19	461.9	3.2
NAV total return	10.5%	

Glossary of Terms & Definitions

Ongoing charges ratio*

Management fees and all other recurring operating expenses that are payable by the Company excluding the costs of purchasing and selling investments, incentive fee, finance costs, taxation, non-recurring costs, and costs of share buy-back transactions, expressed as a percentage of the average NAV during the period. Ongoing charges and performance-related fees of the Company's underlying investments are excluded. The ongoing charges ratio has been calculated in accordance with guidance issued by the Association of Investment Companies ("AIC").

	2019 £000s	2018 £000s
Investment management fee	6,456	5,987
Administrative expenses	996	996
Ongoing charges	7,452	6,983
Average net assets	684,226	630,177
Ongoing charges ratio	1.09%	1.10%

Over-commitment

Where the aggregate commitments to invest by the Company exceed the sum of its resources available for investment plus the value of any undrawn loan facilities.

Over-commitment ratio*

Outstanding commitments less resources available for investment and the value of undrawn loan facilities divided by net assets.

	Note	As at 30 September 2019 £000s	As at 30 September 2018 £000s
Undrawn Commitments	17	450,272	369,275
Less resources available for investment		(67,748)	(86,461)
Less undrawn loan facility	13	(80,000)	(80,000)
Net outstanding commitments		302,524	202,814
Net assets		710,083	661,363
Over-commitment ratio		42.6%	30.7%

Primary investment / primary funds

The managers of private equity funds look to raise fresh capital to invest, typically every five years, and the Company commits to investing in such funds. The capital committed to a fund will generally be drawn over a five year period as investments in private companies are made.

Resources available for investment

This corresponds to the Company's assets that are not invested in funds or co-investments. The amount includes cash and cash equivalents, quoted investments and short-term investment receivables and payables as follows:

	Note	As at 30 September 2019	As at 30 September 2018
Cash and cash equivalents		66,315	57,441
Quoted investments	9	11,435	29,020
Investment receivables	11	9,550	-
Investment payables	12	(19,552)	-
Resources available for investment		67,748	86,461

Roll forward

The latest fund valuation calculated on a bottom-up valuation basis adjusted for any subsequent cash movements up to the reporting date and updated for exchange rates at the reporting date.

Secondary transaction / secondary funds

The purchase or sale of a commitment to a fund or collection of fund interests in the market. Once a private equity fund is raised, new investors are typically not permitted into the fund. However, an existing investor may exit by selling their interest to another investor. The Company can negotiate to acquire such an interest as a secondary buyer. Within the Annual Report and Financial Statements, the terms "Secondary transaction" and "Secondary investment" are used interchangeably.

Share buy-back transaction

The repurchase by the Company of its own shares in order to reduce the number of shares on the market. This is often used by investment trusts to narrow the discount to NAV.

Total shareholder return*

The theoretical return derived from reinvesting each dividend in additional shares in the Company on the day that the share price goes ex-dividend.

Date	Share price (p)	Dividend per share (p)
30 Sep 18	345.5	
20 Dec 18	325.0	3.1
21 Mar 19	360.5	3.2
20 Jun 19	336.0	3.2
19 Sep 19	353.0	3.2
30 Sep 19	352.0	
Total shareholder return	5.7%	

Vintage year

Refers to the year in which the first influx of investment capital is delivered to a fund. This marks the moment when capital is committed.

Notice of Annual General Meeting

Notice is hereby given that the nineteenth Annual General Meeting of Standard Life Private Equity Trust plc (the "Company") will be held at the offices of Aberdeen Standard Investments, Bow Bells House, 1 Bread Street, London EC4M 9HH on Monday, 24 February 2020 at 12.30 p.m. to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 12 (inclusive) will be proposed as ordinary resolutions and resolutions 13 and 14 will be proposed as special resolutions.

1. That the Annual Report and Financial Statements for the year ended 30 September 2019, including the Directors' Report and the Independent Auditor's Report be received.
2. That the Directors' Remuneration Report for the year ended 30 September 2019 be approved.
3. That the Directors' Remuneration Policy be approved.
4. That the Company's dividend policy to pay four interim dividends be approved.
5. That Mr Bond be re-elected as a director.
6. That Mr Devine be re-elected as a director.
7. That Ms McComb be re-elected as a director.
8. That Ms Seymour-Williams be re-elected as a director.
9. That Mr Thomson be re-elected as a director.
10. That BDO LLP be re-appointed as Independent Auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
11. That the directors be authorised to fix the remuneration of the Independent Auditor for the year to 30 September 2020.
12. That, in substitution for any pre-existing power to allot or grant rights to subscribe for or to convert any security into shares in the Company, but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal amount equivalent to 33.3% of the issued share capital of the Company, such authority to expire on 31 March 2021 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2021, unless previously revoked, varied or extended by the Company in general meeting, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require relevant securities to be allotted after the expiry of such authority and the directors may allot relevant securities in pursuance of such an offer or agreement as if such authority had not expired.
13. That, subject to the passing of resolution 12 in this Notice of Annual General Meeting and in substitution for any existing powers but without prejudice to the exercise of any such power prior to the date of the passing of this resolution, the directors be and are hereby generally empowered pursuant to section 570 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority under section 551 of the Act conferred by resolution 12 in this Notice of Annual General Meeting as if section 561 of the Act did not apply to the allotment. This power:

    (i) expires on 31 March 2021 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2021, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired; and

    (ii) shall be limited to: (a) the allotment of equity securities in connection with an issue in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings of ordinary shares, but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of a regulatory body or stock exchange; and (b) the allotment of ordinary shares for cash otherwise than pursuant to paragraph (a) up to an aggregate nominal amount equal to 5% of the Company's issued share capital as at the date on which this resolution is passed.

    This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 724 of the Act as if in the first paragraph of this resolution 13 the words "pursuant to the authority under section 551 of the Act conferred by resolution 12 in this Notice of Annual General Meeting" were omitted.
14. That, in substitution for any existing authority, the Company be generally and unconditionally authorised, in accordance with section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 0.2 pence each ("ordinary shares") in the share capital of the Company, provided that:

    (i) the maximum number of ordinary shares hereby authorised to be purchased shall be 14.99% of the Company's issued ordinary share capital as at the date on which this resolution is passed;

Notice of Annual General Meeting

(ii) the minimum price which may be paid for an ordinary share shall be 0.2 pence;

(iii) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall be an amount being not more than the higher of (a) 105% of the average of the middle market quotations (as derived from the Daily Official List of London Stock Exchange plc) for the ordinary shares for the five business days immediately preceding the date of purchase; and (b) the higher of the price of the last independent trade and the highest current independent bid relating to an ordinary share on the trading venue on which the purchase is carried out; and

(iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 March 2021 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2021, save that the Company may, prior to such expiry, enter into a contract to purchase ordinary shares under such authority which will or might be executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

By order of the Board

Aberdeen Asset Management PLC
Company Secretary
1 George Street,
Edinburgh, EH2 2LL

8 January 2020

Notes

1. Attending the Annual General Meeting in person

If you wish to attend the Annual General Meeting in person, you should arrive at the venue for the Annual General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity prior to being admitted to the Annual General Meeting.

2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed, a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying Form of Proxy.

If a member wishes a proxy to speak on their behalf at the meeting, the member will need to appoint their own choice of proxy (not the Chair of the Annual General Meeting) and give their instructions directly to them. Such an appointment can be made using the Form of Proxy accompanying this Notice of Annual General Meeting or through CREST.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact the Company's registrar Equiniti Limited (the "Registrar") at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

A member may instruct their proxy to abstain from voting on a particular resolution to be considered at the meeting by marking the "Vote withheld" option in relation to that particular resolution when appointing their proxy.

It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "For" or "Against" the resolution.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person if he or she wishes.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 8 below.

3. Appointment of a proxy using a Form of Proxy

A Form of Proxy for use in connection with the Annual General Meeting is enclosed. To be valid any Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA at least 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

If you do not have a Form of Proxy and believe that you should have one, or you require additional Forms of Proxy, please contact the Registrar at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

Notice of Annual General Meeting

4. Appointment of a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com.

CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA19) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Appointment of proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

6. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).

7. Entitlement to attend and vote

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at 6.30 p.m. on 20 February 2020 (or, if the Annual General Meeting is adjourned, at 6.30 p.m. on the day two days (excluding non-working days) prior to the adjourned meeting). Changes to the Company's register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

8. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the "Act") to enjoy information rights (a "Nominated Person") may, under an agreement between him or her and the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

9. Website giving information regarding the Annual General Meeting

Information regarding the Annual General Meeting, including information required by section 311A of the Act, and a copy of this Notice of Annual General Meeting is available from https://www.slpet.co.uk.

Notice of Annual General Meeting

10. Audit concerns

Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which Annual Report and Financial Statements were laid in accordance with section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

11. Voting rights

As at 8 January 2020 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 153,746,294 ordinary shares of 0.2 pence each. The Company held no shares in treasury. Only holders of ordinary shares are entitled to attend and vote at the Annual General Meeting. Each ordinary share carries one vote. Therefore, the total voting rights in the Company as at 8 January 2020 were 153,746,294 votes.

12. Notification of shareholdings

Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the Annual General Meeting as his proxy will need to ensure that both he, and his proxy, comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.

13. Further questions and communication

Under section 319A of the Act, the Company must cause to be answered any question relating to the business being dealt with at the Annual General Meeting put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Members may not use any electronic address provided in this notice or in any related documents (including the accompanying document, Form of Proxy or Letter of Direction to communicate with the Company for any purpose other than those expressly stated.

Under Sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Annual General Meeting; and/or (ii) to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Annual General Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

14. Directors' letters of appointment

The directors' letters of appointment will be available for inspection at the registered office of the Company and at the offices of Dickson Minto W.S. at Broadgate Tower, 20 Primrose Street, London EC2A 2EW during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting at the offices of Aberdeen Standard Investments, Bow Bells House, 1 Bread Street, London EC4M 9HH from 12.15 p.m. until the conclusion of the Annual General Meeting.

15. Customers of Aberdeen Standard Investments Savings Plan

Participants in the Aberdeen Standard Investments' Children's Plan, Share Plan or ISA are entitled to vote by completing the enclosed Letter of Direction and returning it in the accompanying envelope no later than12:30pm on Monday, 17 February 2020.

Additional Information

Alternative Investment Fund Managers ("AIFM") Directive Disclosures

Alternative Investment Fund Managers Directive ("AIFMD")
The Directive requires the Manager of the Fund (the "AIFM") to set leverage limits for the Company, which are approved by the Board. Under the Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a percentage of the Company's exposure to its net asset value and is calculated on both a gross and commitment method. Under the gross method, exposure represents the sum of the Company's positions after deduction of cash balances, without taking account of any hedging or netting arrangements. Under the commitment method, exposure is calculated without the deduction of cash balances and after certain hedging and netting positions are offset against each other.

The Company's maximum and average actual leverage levels at 30 September 2019 are shown below:

	30 September 2019	
Leverage exposure	**Gross method**	**Commitment method**
Maximum limit	250.0%	250.0%
Actual	102.3%	102.3%

	30 September 2018	
Leverage exposure	**Gross method**	**Commitment method**
Maximum limit	250.0%	250.0%
Actual	98.8%	98.8%

Remuneration policy
The Company has no direct employees.

In accordance with the AIFMD, the Company's AIFM's remuneration policy and required disclosures are available from the Manager on request.

Additional Information

Information for Investors

Registered address

This Annual Report has been mailed to shareholders at the address shown on the Company's share register. Any change of address should be advised to the Registrars at the following address under the signature of the shareholder:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Registrars' shareholder helpline: 0371 384 2618
Registrars' broker helpline: 0906 559 6025*

* Calls cost £1.10 per minute plus your phone company's access charge.

If your shares are held via nominees you should contact them with any change of address.

If you have any general questions about your Company, the Investment Manager or performance, please telephone the Aberdeen Standard Investments Customer Services Department, send an email to inv.trusts@aberdeenstandard.com or write to:

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Dividends

Ordinary dividends are expected to be paid in January, April, July and October each year. Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for this purpose. Mandates may be obtained from Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA on request. The Company operates the BACS system for the payment of dividends. Where dividends are paid directly to shareholders' bank accounts, dividend tax vouchers are sent to shareholders' registered addresses.

Dividend Reinvestment Plan

Shareholders who wish to use their dividends to purchase further shares in the Company by participating in the Company's Dividend Reinvestment Plan can complete a mandate form which may be obtained from Equiniti Limited at the above address.

Dividend Tax Allowance

The annual tax-free personal allowance for dividend income for UK investors is £2,000 for the 2019/20 tax year. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan or Investment Trust Individual Savings Account ("ISA").

Aberdeen Standard Investments Children's Plan

Aberdeen Standard Investments operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors only pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors only pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Additional Information

Information for Investors

Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the 2019/20 tax year.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to Aberdeen Standard Investments, which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Nominee Accounts and Voting Rights

All investments in the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors are provided with the equivalent of full voting and other rights of share ownership.

Keeping You Informed

Further information about the Company may be found on its dedicated website: www.slpet.co.uk. This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest factsheet on the Company issued by the Manager.

Alternatively, please call 0808 500 0040 (Freephone) or email inv.trusts@aberdeenstandard.com or write to the address for Aberdeen Standard Investment Trusts stated above. Details are also available at: www.invtrusts.co.uk.

Other Information

The Company is a member of The Association of Investment Companies (AIC). The AIC publishes a Monthly Information Service which contains a wide range of detailed information including statistical and performance data on all its members. A sample copy can be obtained free of charge from The AIC, 9th Floor, 24 Chiswell Street, London EC1Y 4YY (tel: 020 7282 5555) along with full details of other publications available from The AIC. Alternatively, visit their website on www.theaic.co.uk

Packaged Retail and Insurance-based Products (PRIIPs) Regulation

The Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation required a Key Information Document (KID) to be published for the Company. A copy of the Company's KID is available to view on the Company's website www.slpet.co.uk

It should be noted that the form and content of the KID is strictly prescribed and includes specific information on investment risks, performance and costs, which must be provided to all potential investors before they can purchase shares in the Company to enable them to compare the performance of different investment companies.

Literature Request Service

For literature and application forms for Aberdeen Standard Investment's investment trust products, please contact us through: invtrusts.co.uk.
Or telephone:- 0808 500 4000

Or write to:- Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Terms and Conditions

Terms and conditions for Aberdeen Standard Investments managed savings products can also be found under the Literature section of our website at: www.invtrusts.co.uk.

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

Additional Information

Information for Investors

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: www.pimfa.co.uk.

Financial Advisers

To find an adviser who recommends on investment trusts, visit: www.unbiased.co.uk.

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Tel: 0800 111 6768 or at
www.fca.org.uk/firms/financialservices-register

Email: consumer.queries@fca.org.uk

Voting at General Meetings

If you hold your shares in the Company via a share plan or a platform and would like to attend and/or vote at the Annual General Meeting, then you will need to make arrangements with the administrator of your share plan or platform.

For this purpose, investors who hold their shares in the Company via the Aberdeen Standard Investment Plan for Children, the Aberdeen Standard Investment Trust Share Plan and/or the Aberdeen Standard Investment Trust ISA will find a Letter of Direction enclosed with the Annual Report. Shareholders are encouraged to complete and return the Letter of Direction in accordance with the instructions printed thereon.

Further details on how to attend and vote at general meetings for holders of shares via share plans and platforms can be found at: www.theaic.co.uk/aic/shareholder-voting-consumerplatforms.

Disability Act

Copies of this Annual Report or other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats including Braille, in larger type or on audio tape. Our Registrars have installed text phones to allow speech and hearing impaired people who have their own text phone to contact them directly without the need for an intermediate operator. Specially trained operators are available during normal business hours to answer queries via this service.

Alternatively, you may use a text phone facility - the universal telephone number for this service is 0370 702 0005.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The above information has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Future Financial Calendar

(with effect from 30 September 2019)

January – Annual results announced
January – Annual Report and Financial Statements published
February – Annual General Meeting
April – Quarterly trading statement announced
June – Interim results announced and published
September – Quarterly trading statement announced

Additional Information

Corporate Information

Directors
Christina McComb, OBE
Jonathon Bond
Alan Devine
Diane Seymour-Williams
Calum Thomson

Investment Manager
SL Capital Partners LLP
1 George Street
Edinburgh EH2 2LL
United Kingdom

Company Secretary[1]
Aberdeen Asset Management PLC
1 George Street
Edinburgh EH2 2LL
United Kingdom

Company Administrator[2]
IQ EQ Administration Services (UK) Limited
Two London Bridge
London SE1 9RA
United Kingdom

Company Depositary[3]
IQ EQ Depositary Company (UK) Limited
Two London Bridge
London SE1 9RA
United Kingdom

Company Brokers
Winterflood Securities
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA
United Kingdom

Solicitors
Dickson Minto WS
16 Charlotte Square
Edinburgh EH2 4DF
United Kingdom

Tax Advisers
PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX
United Kingdom

Independent Auditor
BDO LLP
150 Aldergate Street
London EC1A 4AB
United Kingdom

Bankers
BNP Paribas Securities Services S.A.
10 Harewood Avenue
London NW1 6AA
United Kingdom

Registrars
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
United Kingdom

[1] Prior to 6 September 2019, the Company Secretary was Maven Capital Partners UK LLP, Kintyre House, 205 West George Street, Glasgow, G2 2LW

[2] Prior to 1 January 2019, the Company's Administrator was BNP Paribas Securities Services S.A., 10 Harewood Avenue, London, NW1 6AA, United Kingdom.

[3] Prior to 1 April 2019, the Company's Depositary was BNP Paribas Securities Services S.A., 10 Harewood Avenue, London, NW1 6AA, United Kingdom.

Standard Life Private Equity Trust plc

Registered Office
1 George Street
Edinburgh EH2 2LL
United Kingdom

Registered Number:
Registered in Scotland:
SC216638