

DAVINCI EDINBURGH OPERATOR GP LIMITED

UNAUDITED DORMANT ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

REGISTERED NUMBER: 11958784



DAVINCI EDINBURGH OPERATOR GP LIMITED
REGISTERED NUMBER: 11958784
CONTENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	PAGE(S)
Company Information	1
Statement of Financial Position	2

DAVINCI EDINBURGH OPERATOR GP LIMITED
REGISTERED NUMBER: 11958784
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

1

Directors:

Amy Nicole LeJune
Olufemi Oyewole Adeuja

Registered office:

4th Floor
3 More London Riverside
London
SE1 2AQ
United Kingdom

Registered number:

11958784 (England and Wales)

Company secretary:

IQ EQ Secretaries (UK) Limited
4th Floor
3 More London Riverside
London
SE1 2AQ
United Kingdom

DAVINCI EDINBURGH OPERATOR GP LIMITED
REGISTERED NUMBER: 11958784
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

2

	31 Dec 2021 £	31 Dec 2020 £
Current assets		
Other current receivables	101	101
Total current assets	101	101
Total assets	101	101
Creditors: Amounts falling due within one year		
Other current liabilities	(1)	(1)
Total current liabilities	(1)	(1)
Total liabilities	(1)	(1)
Net assets	100	100
Capital and Reserves		
Share capital	100	100
Shareholders' Equity	100	100

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

For the year ended 31 December 2021, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements of Davinci Edinburgh Operator GP Limited were approved and authorised for issue by the Board of Directors and were signed on its behalf by:



Amy Nicole LeJune
Director

Date: 14/03/2023
Registered number: 11958784

DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

Davinci Edinburgh Property Operator LP
(Formerly CASL Edinburgh Property Operator LP)

Financial Statements

Year ended 31 December 2021

Registered Number: LP020246

DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

CONTENTS

KEY INFORMATION	3
MEMBERS' REPORT	4
STATEMENT OF MEMBERS' RESPONSIBILITIES	6
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	7
STATEMENT OF COMPREHENSIVE INCOME	11
STATEMENT OF FINANCIAL POSITION	12
STATEMENT OF CHANGES IN EQUITY	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 17

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

KEY INFORMATION

GENERAL PARTNER	Davinci Edinburgh Operator GP Ltd (Formerly CASL Edinburgh Operator GP Ltd)
LIMITED PARTNER	Davinci Edinburgh Property Owner Ltd (Formerly CASL Edinburgh Property Owner Ltd)
REGISTERED OFFICE	4 th Floor 3 More London Riverside London SE1 2AQ
REGISTERED NUMBER	LP020246
AUDITOR	Deloitte LLP 2 New Street Square London EC4A 3BZ
BANKERS	HSBC UK Bank PLC 60 Victoria Street London EC4N 4TR
SOLICITORS	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT

DAVINCI EDINBURGH PROPERTY OPERATOR LP (FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

MEMBERS' REPORT

The Members present the annual report on the affairs of the Limited Partnership ('LP'), together with the financial statements and auditor's report, for the year ended 31 December 2021. The comparative period relates to a 12-month period from 1 January 2020 to 31 December 2020, which was unaudited.

Principal activities

The Limited Partnership (acting by its General Partner) provides property management services in connection to its lease of purpose-built student accommodation ('PBSA') at 162-174 Dundee Street, Edinburgh from Davinci Edinburgh Property Owner Limited ('the Landlord'). It earns rental income from the letting of rooms at the accommodation and is responsible for the property's direct property operating costs. In turn, the Limited Partnership (acting by its General Partner) pays rent which accrues to the Landlord based on 95% of the Net Operating Income attributable to each Rental period.

Members receive a distribution out of the profits of the LP after adjusting for other equity adjustments. The final allocation and distribution of profit to individual members is made by the Executive Board once their individual performance has been assessed and annual financial statements have been approved.

Review of the development of the business and state of affairs

The property referred to above became operational for the start of the 2021/22 academic year and achieved c98% occupancy in the launch year.

Covid-19 pandemic

Ongoing effects of the Covid-19 pandemic continue to be monitored for adverse impact on demand for purpose-built student accommodation in the UK, as well as current operations including the health and wellbeing of the property's tenants and the team providing on-site services, and broader supply chain. Continued government-induced lockdown conditions effectively shut down many industries of the UK into the first quarter of 2020. Following the mass-vaccination programme in the UK, conditions in the PBSA sector have rebounded and whilst there remains a risk, business continues to perform in line with normal expectations.

Russia/Ukraine war

In February 2022, a number of countries (including US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24 February 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Members regard these events for the Limited Partnership as non-adjusting events after the reporting period. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as significant depreciation of the rouble against the US dollar and the Euro. It is expected that these events may affect the activities of enterprises in various sectors of the economy.

Although neither the Limited Partnership's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Members continue to monitor the evolving situation and its impact on the financial position and results of the Limited Partnership.

Cost of living crisis

Management continues to monitor the impact of the cost-of-living crisis on the property's residents as well as on direct operating costs of running the building. This has been considered in giving the assessment of going concern below.

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

MEMBERS' REPORT (continued)

Going concern

The Members, after carrying out necessary enquiries and through review of future financial forecasts, believe that the Limited Partnership has adequate sources of funding to meet its future operations and the payment of its expenses and is well placed to manage its business risk successfully.

As at 31 December 2021, the Limited Partnership had net current liabilities of £6,335.

The intermediate parent company, A-A Euro Investment DaVinci MezzCo S.à r.l., has agreed to provide adequate funds to enable the Limited Partnership to meet in full its financial obligations as they fall due for a period of at least twelve months from the date when the financial statements are authorised for issue. The Members have considered the ability and intent of the intermediate parent company to provide this support and are satisfied that this will remain available. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Statement as to disclosure of information to the auditor

At the date of approval of this report the Members confirm that:

- so far as the Members are aware, there is no relevant audit information of which the auditor is unaware; and
- the Members have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

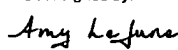
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP were appointed as auditor for the year ended 31 December 2021.

In preparing this report, the Members have taken advantage of the small qualifying partnerships exemptions provided by the Companies Act 2006.

On behalf of the General Partner

DocuSigned by:

81CCBF7CEC8463...

Amy LeJune, Director
Davinci Edinburgh Operator GP Ltd

14 March 2023
4th Floor,
3 More London Riverside,
London SE1 2AQ

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

STATEMENT OF MEMBERS' RESPONSIBILITIES

The Members are responsible for preparing their report and the financial statements in accordance with applicable law and regulations.

The Partnership (Accounts) Regulation 2008 requires the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to give a true and fair view of the state of affairs of the Limited Partnership and of the profit or loss of the Limited Partnership for that period. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Limited Partnership will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Limited Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to qualifying partnerships. They are also responsible for safeguarding the assets of the Limited Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

**Independent auditor's report to the members of Davinci Edinburgh Property Operator LP
(formerly CASL Edinburgh Property Operator LP)**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Davinci Edinburgh Property Operator LP (the 'Limited Partnership'):

- give a true and fair view of the state of the Limited Partnership's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statements of changes in equity; and
- the related Notes 1 to 10.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Limited Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

DAVINCI EDINBURGH PROPERTY OPERATOR LP (FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

Independent auditor's report to the members of Davinci Edinburgh Property Operator LP (formerly CASL Edinburgh Property Operator LP) (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Members

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Limited Partnership's ability to operate or to avoid a material penalty.

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

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

**Independent auditor's report to the members of Davinci Edinburgh Property Operator LP
(formerly CASL Edinburgh Property Operator LP) (continued)**

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

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006 as applied to Limited Partnerships

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

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

In the light of the knowledge and understanding of the Limited Partnership and its environment obtained in the course of the audit, we have not identified any material misstatements in the Members' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Limited Partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Members were not entitled to prepare the financial statements in accordance with the small qualifying partnerships regime and take advantage of the small qualifying partnerships' exemptions in preparing the Members' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

As the Limited Partnership was exempt from audit under section 477 of the Companies Act 2006 in the prior year, we have not audited the corresponding amounts for 31 December 2020.

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

**Independent auditor's report to the members of Davinci Edinburgh Property Operator LP
(formerly CASL Edinburgh Property Operator LP) (continued)**

Use of our report

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

DocuSigned by:

Andy Siddorns

CA52DA0164774B5...

Andy Siddorns FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

14 March 2023

DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2021

	Note	2021	2020
		£	(Unaudited)
			£
Rental income	2	1,041,757	-
Ancillary income		53,835	
Direct and other operating expenses	4	(1,084,645)	-
Net operating profit		10,947	-
Finance costs		(3,539)	(5)
Profit / (Loss) on ordinary activities		7,408	(5)

All activities derive from continuing operations.

There are no items of other comprehensive income in either the current or preceding financial year other than as shown in retained earnings.

The Notes on pages 14 to 17 are an integral part of these financial statements.

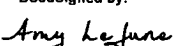
DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 (Unaudited) £
Fixed assets			
Computer equipment		1,168	-
Current assets			
Debtors	5	16,475	-
Prepayments		1,165	-
Cash and cash equivalents		2,398,983	600
		2,416,623	600
Creditors: amounts falling due within one year	6	(2,410,288)	(505)
Net current assets		6,335	95
Net assets		7,503	95
Capital and reserves			
Share capital	7	100	100
Retained earnings		7,403	(5)
Partnership equity		7,503	95

The Notes on pages 14 to 17 are an integral part of these financial statements.

The Members have taken advantage of the small qualifying partnerships regime in the preparation of these financial statements. The financial statements of Davinci Edinburgh Property Operator LP (Registration number: LP020246) were approved by the Members and authorised for issue on 14 March 2023. They were signed on behalf of the General Partner by:

DocuSigned by:

 81CCBF87CEC8463...
 Amy LeJune, Director

DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2021

	Called-up share capital	Profit and loss account	Total
	£	£	£
Balance at 1 January 2020 (Unaudited)	100	-	100
Loss for the financial year (Unaudited)	-	(5)	(5)
Balance at 31 December 2020 (Unaudited)	100	(5)	95
Profit for the financial year	-	7,408	7,408
Balance at 31 December 2021	100	7,403	7,503

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. Reporting entity

Davinci Edinburgh Property Operator LP is a Limited Partnership incorporated in the United Kingdom under the Companies Act 2006 as applied to qualifying partnerships and is registered in England and Wales. The address of the Limited Partnership's registered office is 4th Floor 3 More London Riverside, London, England, SE1 2AQ. The Limited Partnership's name was changed from CASL Edinburgh Property Operator LP on 6 May 2022 following a change of ownership. Please refer to Note 10 - Post balance sheet events for further details.

The principal activities of the Limited Partnership are set out in the Members' report on page 4.

2. Statement of accounting policies

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

(a) Accounting convention

The financial statements have been prepared in accordance with generally accepted accounting principles in the United Kingdom under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The Limited Partnership qualifies as a small Limited Partnership and has taken the following exemptions:

- preparing a cash flow statement.

(b) Going concern

The Members have considered it appropriate to adopt the going concern basis of accounting in preparing the annual financial statements. As noted in the Members' report, the intermediate parent company, A-A Euro Investment DaVinci MezzCo S.à r.l., has agreed to provide adequate funds to enable the Limited Partnership to meet in full its financial obligations as they fall due for a period of at least twelve months from the date when the financial statements are authorised for issue. The Members have considered the ability and intent of the intermediate parent company to provide this support and are satisfied that this will remain available. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

(c) Turnover

Turnover comprises rental income and other recoveries earned by Davinci Edinburgh Property Operator LP (acting by its General Partner) from residents of the purpose-built student accommodation at 162-174 Dundee Street, Edinburgh. Turnover is recognised on an accruals basis when the amount can be reliably measured, and it is probable that future economic benefits will flow to the Limited Partnership.

**DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

(d) Functional and presentational currency

The Limited Partnership's financial statements have been prepared in Pound Sterling (rounded to the nearest pound unless otherwise indicated), which is the presentation currency and the functional currency of the Limited Partnership because that is the currency of the primary economic environment in which the Limited Partnership operates.

Foreign currency transactions are translated into the Limited Partnership's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Limited Partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(f) Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Limited Partnership has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 1 March 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

(g) Taxation

The Limited Partnership is not a taxable entity. Any tax liabilities arising from the results of the Limited Partnership are dealt with in the financial statements of the Partner.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Members do not consider there to be any critical accounting judgements in preparing the financial statements.

Estimates and underlying assumptions are reviewed on an on-going basis; revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There are no key sources of estimation uncertainty.

DAVINCI EDINBURGH PROPERTY OPERATOR LP
(FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Direct and other operating expenses

Direct and other operating expenses primarily comprise £731,139 (2020: £nil) to Davinci Edinburgh Property Owner Limited – as landlord – in connection to the lease of 162-174 Dundee Street, Edinburgh. In addition, other direct property operating costs include expenses such as utilities (2021: £85,699; 2020: Nil), staff related costs – which are re-charged by their employer, CA Europe Management Services PM Limited (2021: £62,489; 2020: Nil) – property management fees (2021: £62,471; 2020: Nil) and sales and marketing costs (2021: £62,489; 2020: Nil).

Other costs include auditor's remuneration for FY21 (2021: £25,920; 2020: Nil), as well as exceptional hotel and associated costs (2021: £17,325; 2020: Nil) incurred in managing the impact of delays to the completion of the property, and other professional services (2021: £14,275; 2020: Nil).

There were no employees in the Limited Partnership in the current or prior period.

The Members received no remuneration for their services to the Limited Partnership in either period.

5. Debtors

	2021	2020 (Unaudited)
	£	£
Trade debtors	16,475	-

Trade debtors represents balances due from tenants in relation to the letting of units at 162-174 Dundee Street, Edinburgh. The balance of trade debtors includes a provision for bad debt of £930 (2020: Nil).

6. Creditors: amounts falling due within one year

	2021	2020 (Unaudited)
	£	£
Trade and other creditors	61,650	505
Deferred income	1,511,674	-
Accrued expenses	128,559	-
Related party payable	708,405	-
	2,410,288	-

DAVINCI EDINBURGH PROPERTY OPERATOR LP (FORMERLY CASL EDINBURGH PROPERTY OPERATOR LP)

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Share capital

	2021 £	2020 (Unaudited) £
<i>Issued, called up and fully paid:</i>		
100 ordinary shares of £1 each	100	100

8. Related party transactions

Related party balances shown in Note 6 are payable on demand. No interest is being charged on these balances.

The Limited Partnership signed a property management agreement with affiliate CA Europe Management Services PM Limited in August 2019. The fees charged to the Limited Partnership during the year were £62,471 (2020: Nil).

At year end, the immediate parent of the Limited Partnership was Davinci Edinburgh Property Owner Limited (formerly CASL Edinburgh Property Owner Limited), with the same registered address of the Limited Partnership. The Limited Partnership's ultimate parent was CA Ventures Holdings LLC, with a registered address of 251 Little Falls Drive, Wilmington, Delaware 19808, United States.

The Limited Partnership is not included in any consolidated accounts. The financial statements presented above represent the separate financial statements of Davinci Edinburgh Property Operator LP.

9. Financial commitments, contingent liabilities and guarantees

The Limited Partnership (acting by its General Partner) entered into a 21 year and one day property operating lease with Davinci Dart Square Property Owner Limited ('the Landlord') on 7 August 2019. As noted in the Principal activities section above, the Limited Partnership (acting by its General Partner) pays rent which accrues to the Landlord based on 95% of the Net Operating Income attributable to each Rental period. In this way the operating lease expense is contingent on the Limited Partnership's own Net Operating Income.

10. Post balance sheet events

The Limited Partnership's immediate parent, Davinci Edinburgh Property Owner Limited was sold – along with the Limited Partnership – on 25 April 2022 to A-A Euro Investment Davinci Edinburgh Propco C S.a.r.l. As a result of this change of ownership, the ultimate parent is Apollo Global Management Inc., with a registered address of 42nd Floor, 9 West 57th Street, New York, NY 10019, United States.

The Limited Partnership signed an asset management agreement with affiliate CA Europe UK Operating Company Limited ('CAEUK') in April 2022. Under this agreement, CAEUK provides various services including identifying and progressing asset management opportunities for the property, monitoring and analysing the performance of the property and monitoring key market trends.