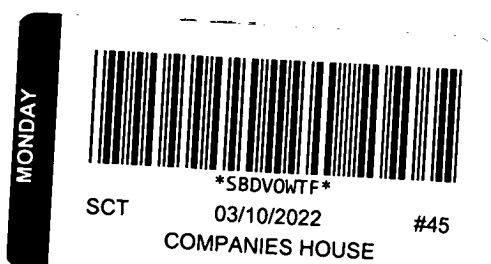


SLCP (General Partner NASP 2006) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Registration number: SC272867



SLCP (General Partner NASP 2006) Limited

Contents

Company Information	1
Directors' Report	2 to 5
Independent Auditor's Report	6 to 9
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 17

Company Information

Directors

J R Bryden
M Lemond
M McKay
S Tysko

Company secretary

abrdn Corporate Secretary Limited

Registered office

1 George Street
Edinburgh
Scotland
EH2 2LL

Auditor

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

Directors' Report for the year ended 31 December 2021

The Directors present their annual report together with the audited financial statements of SLCP (General Partner NASP 2006) Limited ("the Company") for the year ended 31 December 2021.

The Directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

Business review and future developments

The Company's principal activity is to act as a General Partner of Limited Partnerships NASP 2006 Special Limited Partnership and NASP 2006 General Partner Limited Partnership ("the GP LP"), of which the latter is the General Partner of North American Strategic Partners 2006 L.P. and North American Strategic Partners (Feeder) 2006 (together, "the Funds"), whose activity is to make private equity investments, primarily in North America. The Company has entered into a management agreement with abrdn Capital Partners LLP ("aCP") (formerly SL Capital Partners LLP), authorising it to manage the business of the Funds.

North American Strategic Partners 2006 L.P entered liquidation on 17 January 2022 following the expiry of its final extension period and will be dissolved following the disposal of its residual portfolio. The other vehicles comprising the Funds will then liquidate at either the time of or shortly after North American Strategic Partners 2006 L.P. It is expected that the winding up process will take several years to fully complete.

The Company is part of abrdn plc ("abrdn plc" or, together with its subsidiaries, "the abrdn Group"). There are no plans to change the principal activity of the Company.

Directors of the Company

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

I Harris (resigned 1 October 2021)

S Hay (resigned 22 February 2022)

R J Pim (resigned 22 February 2022)

The following directors were appointed after the year end:

J R Bryden (appointed 22 February 2022)

M Lemond (appointed 22 February 2022)

M McKay (appointed 22 February 2022)

S Tyszkowski (appointed 22 February 2022)

The Company's ultimate parent company, abrdn plc maintains directors' and officers' liability insurance on behalf of its directors and officers.

Company secretary

The Company secretary during the year, was as follows:

abrdn Corporate Secretary Limited (formerly SLA Corporate Secretary Limited).

Result for the year

The result for the year ended 31 December 2021 is a profit after tax of £nil (2020: £nil).

Directors' Report for the year ended 31 December 2021 (continued)

Principal risks and uncertainties

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

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

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

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

Coronavirus (COVID-19)

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

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

Strategic risk

These are risks that could prevent the achievement of strategic aims and successfully delivering business plans. These could include failing to meet client expectations, poor strategic decision-making, poor implementation or failure to adapt. The launch of the single global brand was an important step to clear up confusion that existed across multiple brands previously. These risks have been managed through assessing emerging risks so that action can be taken in a timely and proportionate manner to mitigate these, including detailed stakeholder engagement plans to manage the transition to the new brand and ensuring each business unit has a clear organic growth strategy.

Financial risk

This is the risk of having insufficient resources, suffering losses from adverse markets or the failure or default of counterparties. It could be influenced by inflows and outflows, global market trends, as well as margins on investment mandates. Capital is held against identified risks which are reviewed on an ongoing basis.

Directors' Report for the year ended 31 December 2021 (continued)

Principal risks and uncertainties (continued)

Third party management

Activities to suppliers are outsourced with specialist capabilities which means there is exposure to the risk of third parties failing to deliver in line with contractual obligations. It is the abrdn Group's responsibility to make sure these firms deliver with continued focus to streamline delivery and reduce complexity. In 2021 there were extensive preparations to adopt the European Banking Authority's guidelines on outsourcing across the supplier base. Maintaining strong relationships with suppliers is key and during 2021 a programme to rationalise the supplier base and strengthen the oversight of suppliers was completed. The abrdn Group's Third Party Code of Conduct requires third parties to acknowledge their best practice responsibilities.

Going concern

It is anticipated that the Company will be dissolved in the foreseeable future as the Funds have now entered liquidation. Based on this, the Directors have concluded that the financial statements should be prepared on a non-going concern basis. There is no significant impact of this on the Company's financial position, performance, equity or total comprehensive income for either year ended 31 December 2021, or the comparative period ended 31 December 2020. The realisable value of the Company's assets and liabilities at 31 December 2021 equated to their fair value. Further information is available in Note 1.

Dividends

The Directors recommended and paid dividends of £nil in 2021 (2020: £nil) to the Company's immediate parent, namely abrdn CP (Holdings) Limited (formerly SLCP (Holdings) Limited).

Political donations

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

Independent auditor

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

Disclosure of information to the auditors

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

Modern slavery act

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

Directors' Report for the year ended 31 December 2021 (continued)

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Approved by the Board on 20 September 2022 and signed on its behalf by:

James Bryden

.....
J R Bryden
Director

Independent Auditor's Report to the Members of SLCP (General Partner NASP 2006) Limited

Opinion

We have audited the financial statements of SLCP (General Partner NASP 2006) Limited ('the Company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including the accounting policies note 1. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

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

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

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. We substantively tested any material post-closing entries and, based on the results of our risk assessment procedures and understanding of the process, no further high-risk journal entries or other adjustments were identified.

On this audit, we have rebutted the fraud risk related to revenue recognition as the calculation of revenue is non-judgemental and straightforward, with limited opportunity for manipulation. We did not identify any additional fraud risks.

Independent Auditor's Report to the Members of SLCP (General Partner NASP 2006) Limited (continued)

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

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

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

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

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

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

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

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

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

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

Directors' Report

The Directors are responsible for the Directors' Report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

Independent Auditor's Report to the Members of SLCP (General Partner NASP 2006) Limited (continued)

- we have not identified material misstatements in the Directors' Report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the Members of SLCP (General Partner NASP 2006) Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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



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

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

28 September 2022

SLCP (General Partner NASP 2006) Limited

Profit and Loss Account for the year ended 31 December 2021

	Note	2021 £	2020 £
Revenue	3	49,823	174,592
Administrative expenses		<u>(49,823)</u>	<u>(174,592)</u>
Result for the year		<u>-</u>	<u>-</u>

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

The statutory audit fee of £5,022 (2020: £4,972) has been paid by a fellow abrdn Group undertaking.

The notes on pages 13 to 17 form an integral part of these financial statements.

SLCP (General Partner NASP 2006) Limited

Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Assets			
Current assets			
Trade and other receivables	4	100	100
Total current assets		100	100
Equity and liabilities			
Equity			
Share Capital	5	100	100
Equity attributable to equity holders of the parent		100	100
Liabilities			
Current liabilities			
Total current liabilities		-	-
Total equity and liabilities		100	100

Approved by the Board on 20 September 2022 and signed on its behalf by:

James Bryden

.....
J R Bryden
Director

Registration number: SC272867

The notes on pages 13 to 17 form an integral part of these financial statements.

SLCP (General Partner NASP 2006) Limited

Statement of Changes in Equity for the year ended 31 December 2021

	Share capital £	Total £
At 1 January 2020	100	100
At 31 December 2020	100	100

	Share capital £	Total £
At 1 January 2021	100	100
At 31 December 2021	100	100

The notes on pages 13 to 17 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The following accounting policies have been applied consistently to all years presented when dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The Company meets the definition of a qualifying entity under Application of Financial Reporting Requirements 100 as issued by the Financial Reporting Council. Accordingly, the financial statements for year ended 31 December 2021 have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

North American Strategic Partners 2006 L.P entered liquidation on 17 January 2022 following the expiry of its final extension period and will be dissolved following the disposal of its residual portfolio. The other vehicles comprising the Funds will then liquidate at either the time of or shortly after North American Strategic Partners 2006 L.P.

Accordingly, these financial statements are prepared on a break-up basis. At 31 December 2021, the realisable value of the Company's assets and liabilities equated to their fair value.

Summary of disclosure exemptions

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

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

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

- Certain disclosures required by IFRS 7 Financial Instrument Disclosures.

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

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development and financial position, are set out in the Directors' Report.

The Company traded during the period but exists to make no profit or loss. This is because all regulated investment management activity pertaining to the vehicle is delegated to another abrdn Group undertaking. Consequently any profits or losses in the Company are absorbed by the delegated investment management undertaking. Amounts payable to the delegated investment management undertaking are net of operating costs, so these would be reduced should the Company incur additional operating costs. Consideration has also been given to the going concern assessment of the abrdn Group.

As disclosed in the Basis of Preparation, it is anticipated that the Company will be dissolved in the foreseeable future as the Funds have now entered liquidation. Based on this, the Directors have concluded that the financial statements should be prepared on a non-going concern basis. There is no significant impact of this on the Company's financial position, performance, equity or total comprehensive income for either year ended 31 December 2021, or the comparative period ended 31 December 2020. The realisable value of the Company's assets and liabilities at 31 December 2021 equated to their fair value.

Changes in accounting policy

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

Revenue recognition

The Company's primary source of revenue is profit sharing from the underlying Limited Partnership. Profit share is generated through the management profit share that is paid by the Funds to the GP LP. Revenue is recognised as the service is provided and when it is probable that the profit share will be received.

Administrative expenses

Administrative expenses are recognised on an accruals basis.

Foreign currency transactions and balances

i) Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in pounds sterling, which is the Company's presentational and functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling at the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date and any exchange differences arising are taken to the profit and loss account.

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Financial assets

(i) Amortised cost

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

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

2

The preparation of the financial statements can necessitate the use of key estimates and judgements. These estimates and judgements can affect the reported amounts of assets and liabilities, contingent or otherwise, at the balance sheet date as well as affecting the reported profit or loss for the year. There are not considered to be any critical estimates.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Management profit share	49,823	174,592
Total revenue	49,823	174,592

4 Trade and other receivables

	2021 £	2020 £
Current trade and other receivables:		
Amounts owed by abrdn Group undertakings	100	100
Total current trade and other receivables	100	100

Amounts owed by abrdn Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand and as such they have been classified as current based on expected settlement date.

5 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

6 Related party transactions

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

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

The following are details of significant transactions with related parties (excluding fellow wholly owned subsidiaries and key management personnel) during the year and the year end balances arising from such transactions.

	2021 Revenue £
GP LP	49,823
	<u>49,823</u>

	2020 Revenue £
GP LP	174,592
	<u>174,592</u>

7 Parent and ultimate parent undertaking

The Company's immediate parent is abrdn CP (Holdings) Limited (formerly SLCP (Holdings) Limited) and its ultimate parent is abrdn plc, both of which are incorporated in the United Kingdom and registered in Scotland.

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

8 Events after the balance sheet date

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

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

9 Investment holdings

In line with Companies Act requirements, the Company considers the Funds and the GP LP to be subsidiary entities.

Name of undertaking:

North American Strategic Partners (Feeder) 2006;
NASP 2006 Special Limited Partnership; and
North American Strategic Partners L.P.

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh, EH2 2LL

The Company acts as a General Partner of the below Limited Partnership

Name of undertaking: NASP 2006 General Partner Limited Partnership

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh, EH2 2LL

NASP 2006 General Partner Limited Partnership

Financial Statements for the year ended 31 December 2021

Table of Contents	Page
Manager, General Partner and Advisors	1
Report of the General Partner	2
Statement of General Partner's Responsibilities	5
Independent Auditor's Report	6
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Net Assets Attributable to Partners	11
Statement of Cash Flows	13
Notes to the Financial Statements	14

Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Manager and Principal Place of Business	abrdn Capital Partners LLP (formerly known as SL Capital Partners LLP) 1 George Street Edinburgh, EH2 2LL U.K.
General Partner	SLCP (General Partner NASP 2006) Limited 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Tax Advisor	Ernst & Young LLP 25 Churchill Place London, E14 5EY U.K.
Independent Auditor	Nexia Smith & Williamson 45 Gresham Street London, EC2V 7BG U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.
Inception Date	31 May 2006

Report of the General Partner

The General Partner, SLCP (General Partner NASP 2006) Limited, presents the audited financial statements of NASP 2006 General Partner Limited Partnership ("the Partnership") for the year ended 31 December 2021.

Structure of the Partnership

The Partnership is a Scottish Limited Partnership and commenced trading on 31 May 2006. The purpose of the Partnership is to act as the General Partner and Carried Interest Partner, Co-Investment Partner and an investor in the various limited partnerships constituting the North American Strategic Partners 2006 Fund ("the NASP 2006 Fund"). On 28 December 2007, the NASP 2006 Fund was frozen at US\$274.5 million with each Partner's commitment reduced on a pro rata basis. The structure of the Partnership is detailed further in note 1 to the financial statements.

Directors of the General Partner

SLCP (General Partner NASP 2006) Limited has acted as the General Partner of the Partnership throughout the year. Please refer to the financial statements of SLCP (General Partner NASP 2006) Limited for the names of the Directors. Ian Harris resigned as Director on 1 October 2021, Stewart Hay resigned as Director on 22 February 2022 and Roger Pim resigned as Director on 22 February 2022. James Bryden, Simon Tyszkowski, Merrick McKay and Mark Lemond were appointed as Directors on 22 February 2022.

Distributions

Distributions of US\$206,392 (2020: US\$286,198) were made during the year of which US\$89 (2020: US\$50) was temporary return of capital, which is recallable.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 9. A description of the principal activity of the Partnership is provided in note 1 to the financial statements.

The manager's report for the NASP 2006 Fund, which is issued separately from the financial statements of the Partnership, contains detailed analysis of each of the NASP 2006 Fund's investments, together with commentary on the economic climate and how this impacts the private equity market.

The term of the Partnership is to continue until 90 days after the termination of North American Strategic Partners 2006 L.P. ("NASP 2006"), after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, following the expiry of the final extension period, and will be dissolved following the disposal of the investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. It is expected that the winding up process will take several years to complete. No management profit share will be payable to the General Partner during the winding up period. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than the going concern basis.

Events during the year

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, continues to impact many aspects of daily life and the global economy. On 11 November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

Report of the General Partner (continued)

Events during the year (continued)

COVID-19 (continued)

The General Partner, as part of the abrdn plc group (formerly known as Standard Life Aberdeen plc group), is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19. Please refer to note 3.2 for the General Partner's assessment of the Partnership's ability to continue as a going concern.

Events after the reporting date

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Fund.

The General Partner has identified no other significant events after the reporting date.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Partnership's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Independent auditor

The General Partner has reappointed Nexia Smith & Williamson as auditor to the Partnership in accordance with Section 485 of the Companies Act 2006.

Data protection

abrdn Capital Partners LLP has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Report of the General Partner (continued)

Strategic report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is therefore exempt from preparing a strategic report.

Signed on behalf of the General Partner

DocuSigned by:

James Bryden

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James Bryden

Director, SLCP (General Partner NASP 2006) Limited

31 May 2022

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the Report of the General Partner and the financial statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 ("the Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has prepared the Partnership's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the U.K. and Republic of Ireland" ("FRS 102").

Under Company law as applied to qualifying partnerships, the General Partner 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 Partnership and of the profit or loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

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

5/10/2006

Independent Auditor's Report to the Partners of NASP 2006 General Partner Limited Partnership

Opinion

We have audited the financial statements of NASP 2006 General Partner Limited Partnership (the 'qualifying partnership') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Partners, the Statement of Cash Flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

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

Emphasis of matter – not a going concern

We draw attention to notes 3.1 and 3.2 in the financial statements, which explain that the financial statements have not been prepared on a going concern basis for the reasons set out in those notes. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Financial Statements other than the financial statements and our auditor's report thereon. The General Partner is responsible for the other information contained within the Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has 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 qualifying partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent Auditor's Report to the Partners of NASP 2006 General Partner Limited Partnership (continued)

Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the General Partner's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the General Partner

As explained more fully in the Statement of General Partner's Responsibilities set out on page 5, the General Partner is 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 General Partner determines 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 General Partner is responsible for assessing the qualifying 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 General Partner either intends to liquidate the qualifying partnership or to cease operations, or has 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.

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 obtained a general understanding of the qualifying partnership's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the qualifying partnership's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of the qualifying partnership's industry and regulation.

We understand that the qualifying partnership complies with requirements of the framework through:

- The General Partner managing and overseeing a risk function;
- Internal reviews and reporting;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- The General Partner's close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the qualifying partnership's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the qualifying partnership:

- The Companies Act 2006 as applied to qualifying partnerships and FRS 102 in respect of the preparation and presentation of the financial statements.

To gain evidence about compliance with the significant laws and regulations above we made enquiries of management and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the qualifying partnership's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and valuation of financial assets held at fair value. These areas were communicated to the other members of the engagement team who were not present at the discussion.

Independent Auditor's Report to the Partners of NASP 2006 General Partner Limited Partnership (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

The procedures we carried out to gain evidence in the above areas included;

- Testing a sample of valuations of financial assets held at fair value at 31 December 2021; and
- Testing a sample of manual journal entries, selected through applying specific risk assessments based on the qualifying partnership's processes and controls surrounding manual journal entries.

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

Use of our report

This report is made solely to the qualifying partnership's partners, 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 qualifying partnership's partners 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 qualifying partnership and the qualifying partnership's partners as a body, for our audit work, for this report, or for the opinions we have formed.



Lindsay Manson
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

Date: 31 May 2022

NASP 2006 General Partner Limited Partnership

Statement of Comprehensive Income

		Year ended 31 December 2021	Year ended 31 December 2020
	Notes	US\$	US\$
Income			
Management profit share	5	67,873	222,664
Net unrealised movement on investments		(2,844)	(59,745)
Other income		-	450
Total income		<u>65,029</u>	<u>163,369</u>
Expenses			
Administrative expenses	6	(67)	(63)
Total expenses		<u>(67)</u>	<u>(63)</u>
Operating profit		<u>64,962</u>	<u>163,306</u>
Profit for the financial year		<u><u>64,962</u></u>	<u><u>163,306</u></u>

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Partnership has no components of other comprehensive income in the current or comparative year.

The notes 1 to 13 form an integral part of these financial statements.

NASP 2006 General Partner Limited Partnership

Statement of Financial Position

		At 31 December 2021	At 31 December 2020
	Notes	US\$	US\$
Current assets			
Financial assets at fair value through profit or loss	11	7,448	143,062
Cash and cash equivalents		6,861	6,771
Debtors	7	403	-
		<u>14,712</u>	<u>149,833</u>
Current liabilities			
Creditors	8	(563)	(3)
Net current assets		<u>14,149</u>	<u>149,830</u>
Net assets attributable to Partners		<u>14,149</u>	<u>149,830</u>
Partners' capital			
General Partner		-	-
Carried Interest Partners		200	200
Limited Partners		13,949	149,630
Total Partners' capital		<u>14,149</u>	<u>149,830</u>

The notes 1 to 13 form an integral part of these financial statements.

The financial statements set out on pages 9 to 21 were approved by the General Partner on 31 May 2022 and signed on its behalf by:

DocuSigned by:

James Bryden

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James Bryden

Director, SLCP (General Partner NASP 2006) Limited

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2021

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Net assets attributable to Partners at the start of the year	-	200	149,630	149,830
Partners' loan drawn	-	-	5,838	5,838
Temporary return of capital to Partners	-	-	(89)	(89)
Distributions to Partners	(67,873)	-	(138,519)	(206,392)
Net distributed	(67,873)	-	(132,770)	(200,643)
Profit / (Loss) for the financial year	67,873	-	(2,911)	64,962
Net assets attributable to Partners at the end of the year	-	200	13,949	14,149

Net Assets Attributable to Partners since inception to 31 December 2021

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Partners' capital drawn	-	200	220	420
Partners' loan drawn	-	-	1,708,003	1,708,003
Temporary return of capital to Partners	-	-	(139,283)	(139,283)
Distributions to Partners	(19,562,832)	-	(2,343,347)	(21,906,179)
Net (distributed) / drawn	(19,562,832)	200	(774,407)	(20,337,039)
Profit for the financial period	19,562,832	-	788,356	20,351,188
Net assets attributable to Partners at the end of the period	-	200	13,949	14,149

The notes 1 to 13 form an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2020

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Net assets attributable to Partners at the start of the year	-	200	263,024	263,224
Partners' loan drawn	-	-	9,548	9,548
Temporary return of capital to Partners	-	-	(50)	(50)
Distributions to Partners	(222,664)	-	(63,534)	(286,198)
Net distributed	(222,664)	-	(54,036)	(276,700)
Profit / (Loss) for the financial year	222,664	-	(59,358)	163,306
Net assets attributable to Partners at the end of the year	-	200	149,630	149,830

Net Assets Attributable to Partners since inception to 31 December 2020

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Partners' capital drawn	-	200	220	420
Partners' loan drawn	-	-	1,702,165	1,702,165
Temporary return of capital to Partners	-	-	(139,194)	(139,194)
Distributions to Partners	(19,494,959)	-	(2,204,828)	(21,699,787)
Net (distributed) / drawn	(19,494,959)	200	(641,637)	(20,136,396)
Profit for the financial period	19,494,959	-	791,267	20,286,226
Net assets attributable to Partners at the end of the period	-	200	149,630	149,830

The notes 1 to 13 form an integral part of these financial statements.

NASP 2006 General Partner Limited Partnership

Statement of Cash Flows

	Year ended 31 December 2021	Year ended 31 December 2020
	US\$	US\$
Cash flows from operating activities		
Operating profit	64,962	163,306
Increase in Debtors	(403)	-
Increase in Creditors	560	-
Net unrealised movement on investments	2,844	59,745
Net cash inflow from operating activities	67,963	223,051
Cash flows from investing activities		
Contributions to Investee Funds	(5,838)	(9,548)
Distributions from Investee Funds	138,608	63,584
Net cash inflow from investing activities	132,770	54,036
Cash flows from financing activities		
Partners' loan drawn	5,838	9,548
Temporary return of capital to Partners	(89)	(50)
Distributions to Partners	(206,392)	(286,198)
Net cash outflow from financing activities	(200,643)	(276,700)
Net increase in cash and cash equivalents	90	387
Cash and cash equivalents at the start of the year	6,771	6,384
Cash and cash equivalents at the end of the year	6,861	6,771

The notes 1 to 13 form an integral part of these financial statements.

Notes to the Financial Statements

1. Partnership background

The Partnership was organised as a Limited Partnership registered in Scotland under the Limited Partnerships Act 1907 and commenced trading on 31 May 2006. The Partnership's registered office is 1 George Street, Edinburgh, EH2 2LL, U.K. The purpose of the Partnership is to act as the General Partner, Carried Interest Partner, Co-Investment Partner and an investor in the various limited partnerships constituting the NASP 2006 Fund. The NASP 2006 Fund is a collection of Scottish Limited Partnerships except where stated otherwise, being North American Strategic Partners 2006 L.P., a Delaware Partnership ("NASP 2006"), North American Strategic Partners Feeder 2006 L.P. ("NASP Feeder 2006"), NASP 2006 Special Limited Partnership ("NASP 2006 Special") and the Partnership.

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. The initial term of NASP 2006 expired on the twelfth anniversary of the final closing, being 17 January 2019, following which the General Partner exercised its discretion to extend the term by three additional one-year periods to 17 January 2022. NASP 2006 entered liquidation on 17 January 2022, following the expiry of the final extension period, and will be dissolved following the disposal of the residual portfolio. It is expected that the winding up process will take several years to complete.

The Partnership became the general partner of NASP 2006 at its inception on 14 June 2006. The Partnership was assigned the rights and interests to be the new general partner of NASP Feeder 2006 on 28 September 2006. The Partnership's General Partner is a company incorporated in Scotland.

NASP 2006 held a first close on 30 June 2006 when NASP Feeder 2006 contributed the initial portfolio as a capital contribution of US\$50,632,696 out of a US\$165.3 million commitment. A second close was held in October 2006 with the fund size increasing to US\$294.0 million. At that time, the Partnership made a commitment of US\$600,000 to NASP 2006 Special and a commitment of US\$1,350,000 to NASP 2006. The Partnership did not make a commitment to NASP Feeder 2006 but a related party to the General Partner and Manager made a US\$170 million commitment to NASP Feeder 2006. On 28 December 2007, the Manager decided that no further commitments would be made by NASP 2006 and the fund size was frozen at US\$274.5 million with each Partner's commitment reduced on a pro rata basis. As a result, the Partnership's commitment to NASP 2006 has been reduced to US\$1,225,799 and US\$544,800 to NASP 2006 Special, together "the Investee Funds".

NASP 2006 General Partner Limited Partnership's audited financial statements are prepared for the year ended 31 December 2021. The Partnership's financial statements are not consolidated elsewhere.

abrdn Capital Partners LLP acts as Manager and is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. IQ EQ Administration Services (UK) Ltd acts as the Administrator to the Partnership. Societe Generale acts as the Partnership's bank. The Partnership has no employees.

2. Statement of compliance

The financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the Companies Act 2006 and the Regulations.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out overleaf. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022; following the expiry of the final extension period, and will be dissolved following the disposal of the investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. Accordingly, these financial statements are prepared on a basis other than the going concern basis. At 31 December 2021, the realisable value of the Partnership's assets and liabilities equated to their fair value. The financial statements are presented in U.S. Dollar (US\$), which is also the Partnership's functional currency. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 4.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.2 Going concern

As disclosed in note 1, the term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, therefore these financial statements have been prepared on a basis other than the going concern basis. All assets and liabilities are classified as current assets and liabilities and are stated at their realisable value. In the opinion of the Manager, the realisable value of the Partnership's assets and liabilities at 31 December 2021 equated to their fair value.

3.3 Consolidation and subsidiaries

The Partnership does not have any subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value in accordance with FRS 102. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value, and as described in the notes below.

Where the Partnership is deemed to control an underlying subsidiary, whereby the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying subsidiary and its results are also not consolidated and are instead reflected as financial assets at fair value with changes in fair value reflected in the Statement of Comprehensive Income.

The Partnership has controlled subsidiaries which are held as part of its investment portfolio and are measured at fair value. As such no consolidated financial statements are prepared.

3.4 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Partnership are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 3.9.

3.5 Financial instruments

The Partnership has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Investments in NASP 2006 and NASP 2006 Special are held as equity investments and are therefore treated as other financial assets, which are initially measured at fair value and subsequently carried at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future outflows/payments discounted at a market rate of interest.

These financial liabilities are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.6 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2021 and 31 December 2020, there were no cash equivalents.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.7 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Partners are individually responsible for reporting their share of the Partnership's income, gains and losses for taxation purposes.

Withholding tax suffered by the Partnership on the gains and income on the underlying investments of NASP 2006 is included within expenses. Withholding tax refunds received by the Partnership are included within other income. Provisions for withholding tax are calculated based on available information and estimates from underlying investments of NASP 2006.

3.8 Net assets attributable to Partners

The Partnership's contributed capital consists of capital contributions. Net assets attributable to Partners are classified as a financial liability, due to the Partnership's finite life and contractual payment provisions to each of the Partners.

3.9 Distribution of income proceeds and capital proceeds between Partners

The Limited Partnership Agreement provides that the General Partner and each Limited Partner share in the profit and losses of NASP 2006 and NASP 2006 Special, except that no Limited Partner will become liable for obligations of the Partnership in excess of their commitments. Profits and losses are allocated on the last day of each period.

Per clause 4.3 of the Limited Partnership Agreement, after payment of any properly incurred expenses and liabilities of the Partnership, distributions shall be apportioned as follows:

- i) Amounts received by the Partnership as the entitlement to Management Profit Share in respect of NASP 2006 or NASP Feeder 2006 shall be paid to the General Partner;
- ii) Amounts received by the Partnership from NASP 2006 Special and attributable to the Partnership's interest as an 'A' or 'B' carried interest partner in that entity, shall be distributed amongst the Carried Interest Partners. Allocations shall be made in accordance with agreed distribution percentages at the date of the relevant allocation, as described further in clause 4.3.1 and Schedule 1 of the Agreement;
- iii) Amounts received by the Partnership from NASP 2006 or NASP 2006 Special and attributable to the Partnership's interest as an Investor shall be paid to the Co-Investment Partners in proportion to their respective Investor Commitments (if any) at the date of the relevant allocation to which the distribution relates;
- iv) Amounts of capital contribution of NASP 2006 or NASP 2006 Special which are repaid to the Partnership shall be paid to the Limited Partners in proportion to the balances in the capital contribution accounts as Carried Interest Partners or Co-Investment Partners as applicable; and
- v) Other Distributions: Distributions not described above shall be made to the Carried Interest Partners in proportion to their respective Carried Interest Shares as at the date of the relevant allocation to which the distribution relates.

Based on a hypothetical liquidation of the investments held by the Partnership at the Statement of Financial Position date, the Partnership would become liable for carried interest of US\$Nil (2020: USNil).

4. Critical accounting estimates and judgements

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to apply judgements and estimates of the carrying value of certain assets and liabilities in applying the Partnership's accounting policies that have a significant impact on the amounts recognised in the financial statements.

4.1 Judgements

There are no significant judgements in the view of management.

Notes to the Financial Statements (continued)

4. Critical accounting estimates and judgements (continued)

4.2 Sources of estimation uncertainty

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Partnership. Such changes are reflected in the assumptions when they occur.

4.3 Fair value of investments not quoted in an active market

When the fair value of financial assets cannot be derived from an active market, their fair value is determined by using a variety of valuation techniques such as comparable recent arm's length transactions, capital asset pricing model and discounted cash flow.

The Partnership's investments in NASP 2006 and NASP 2006 Special are currently stated at fair value as estimated by the General Partner. The General Partner considers the balance of the Partnership's capital account in NASP 2006 and NASP 2006 Special as being equal to fair value.

5. Management profit share

	Year ended 31 December 2021	Year ended 31 December 2020
	US\$	US\$
Management profit share received from NASP 2006	67,773	222,564
Management profit share received from NASP Feeder 2006	100	100
	<u>67,873</u>	<u>222,664</u>

Management profit share ranks as the first charge on net income and net realised gains in any accounting period and is paid in full by NASP 2006 and NASP Feeder 2006 whether or not they have sufficient net income and net realised gains to cover the amount.

6. Administrative expenses

	Year ended 31 December 2021	Year ended 31 December 2020
	US\$	US\$
Bank charges	50	63
Withholding tax	17	-
	<u>67</u>	<u>63</u>

The expenses of the Partnership, including audit fees of US\$3,807 (2020: US\$5,548), are met by NASP 2006.

7. Debtors

	At 31 December 2021	At 31 December 2020
	US\$	US\$
Due from Limited Partners	<u>403</u>	<u>-</u>

Notes to the Financial Statements (continued)

8. Creditors

	At 31 December 2021 US\$	At 31 December 2020 US\$
Due to NASP 2006 LP	423	-
Due to NASP 2006 SLP	115	-
Due to Limited Partners	22	-
Due to Carried Interest Partners	3	3
	<u>563</u>	<u>3</u>

9. Related party transactions

The Limited Partnership Agreement provides that the Partnership shall act as General Partner and is entitled to a management profit share as described in note 5. During the year the Partnership was allocated management profit share of US\$67,873 (2020: US\$222,664). The General Partner of the Partnership is SLCP (General Partner NASP 2006) Limited, a wholly owned subsidiary of the immediate controlling party, abrdn CP (Holdings) Limited (formerly known as SLCP (Holdings) Limited), which is a subsidiary of the ultimate parent, abrdn plc. The General Partner is entitled to receive distributions equal to amounts received by the Partnership from NASP 2006 and NASP Feeder 2006 in respect of management profit share.

abrdn Investment Management Limited (formerly known as Standard Life Investments Limited) participates as an Investing and Carried Interest Partner and is the largest Limited Partner of the Partnership. The General Partner is a subsidiary of abrdn Investment Management Limited, which is also a subsidiary of the ultimate parent, abrdn plc.

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Partnership. The key management personnel for the Partnership is considered to be the General Partner. During the year ended 31 December 2021, there was no compensation paid (2020: US\$Nil) to the General Partner for management services provided.

Certain members and employees of the Manager and the discretionary trusts of their families are Investing and Carried Interest Partners of the Partnership and are entitled to participate in the profits as disclosed in note 3.9.

10. Risk management

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11th March 2020, continues to impact many aspects of daily life and the global economy. On 11th November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

The General Partner, as part of the abrdn plc group, is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19. Please refer to note 3.2 for the General Partner's assessment of the Partnership's ability to continue as a going concern.

Notes to the Financial Statements (continued)

10. Risk management (continued)

The Partnership's financial assets are predominantly unsecured investments in a single limited partnership, in which the maximum risk is considered to be the amount committed to the fund investments. NASP 2006 GP is an investor in NASP 2006 and NASP 2006 Special.

The Partnership's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which NASP 2006 invests. The most important types of financial risks which NASP 2006 and therefore the Partnership are exposed to are market risk, credit risk and liquidity risk. The risk management policies employed by the Partnership are detailed below:

10.1 Market risk

The Partnership is at risk of the economic cycle impacting the quoted markets and hence potentially the pricing of investment deals, the valuation of the underlying investments and the price and timing of exits. Market risk comprises interest rate risk, currency risk and price risk.

The Partnership has no material exposure to interest rate risk, currency risk or price risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

10.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Partnership's credit risk is mainly arising from the Partnership's investment in a limited partnership interest in NASP 2006. The Partnership monitors the performance of NASP 2006 and its underlying investments.

The Partnership places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2021, all of the Partnership's cash was held by Societe Generale which was rated "A" by Standard & Poor's as at the date of the Report of the General Partner.

At 31 December 2021, the assets held by the Partnership are not past due or impaired (2020: US\$Nil).

10.3 Liquidity risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Investments in unquoted equity are less marketable than those in quoted equity, as they have to be sold privately via a secondary market subject to approval of the general partner of the Investee Funds rather than on a public stock market. As a result, the Partnership may not be able to quickly liquidate its investments at an amount equal to their fair value in order to meet its liquidity requirements, or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

During the year ended 31 December 2021, the Partnership generated an operating profit of US\$64,962 (2020: US\$163,306) of which US\$2,844 was unrealised losses on investments (2020: US\$59,745). Cash resources at the year end amounted to US\$6,861 (2020: US\$6,771). The liabilities of the Partnership (excluding net assets attributable to Partners) are due on demand. In addition, the Partnership had available to it undrawn commitments of US\$201,659 (2020: US\$207,410) from its Limited Partners, which are also due on demand.

10.4 Capital risk management

The capital of the Partnership is represented by the net assets attributable to Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of net assets attributable to Partners.

The Partnership has no material exposure to capital risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

The Partnership does not have any externally imposed capital requirements.

Notes to the Financial Statements (continued)

11. Financial assets at fair value through profit or loss

FRS 102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

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 that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of the Partnership's investments within the hierarchy is based upon the pricing transparency of the investments and does not necessarily correspond to the General Partner's perceived risk of the investment. The investments are classified within Level 3 as they have unobservable inputs and trade infrequently or not at all.

The determination of what constitutes "observable" requires significant estimation by the General Partner. The General Partner considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Partnership's investments measured at fair value:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	7,448	7,448

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	143,062	143,062

There were no transfers between levels during the current and comparative years.

Determining the fair value of the Partnership's investments requires estimation and considers factors specific to each investment. The valuation policies applied by the General Partner are detailed in note 4.3.

The changes in the investments measured at fair value for which the Partnership has used Level 3 inputs to determine fair value are as follows:

	31 December 2021 US\$	31 December 2020 US\$
Balance at the start of the year	143,062	256,843
Purchases	5,838	9,548
Sales	(138,608)	(63,584)
Unrealised losses on investments	(2,844)	(59,745)
Balance at the end of the year	<u>7,448</u>	<u>143,062</u>
Unrealised movement included in profit or loss relating to investments still held at the reporting date	<u>(2,844)</u>	<u>(59,745)</u>

Notes to the Financial Statements (continued)

12. Commitments and contingencies

The Partnership has committed an aggregate of US\$1,770,599 (2020: US\$1,770,599) to NASP 2006 and NASP 2006 Special, and as of 31 December 2021 had funded US\$1,561,182 (2020: US\$1,555,432). Note 1 provides further information on commitment timeframe and funding.

There are no contingent assets or liabilities that require disclosure in the financial statements at the year end.

13. Events after the reporting date

Subsequent events have been evaluated up to 31 May 2022.

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Partnership.

The General Partner has identified no other significant events after the reporting date.

NASP 2006 Special Limited Partnership

Financial Statements for the year ended 31 December 2021

Table of Contents	Page
Manager, General Partner and Advisors	1
Report of the General Partner	2
Statement of General Partner's Responsibilities	4
Independent Auditor's Report	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Net Assets Attributable to Partners	10
Statement of Cash Flows	12
Notes to the Financial Statements	13

Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Manager and Principal Place of Business	abrdn Capital Partners LLP (formerly known as SL Capital Partners LLP) 1 George Street Edinburgh, EH2 2LL U.K.
General Partner	SLCP (General Partner NASP 2006) Limited 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Tax Advisor	Ernst & Young LLP 25 Churchill Place London, E14 5EY U.K.
Independent Auditor	Nexia Smith & Williamson 45 Gresham Street London, EC2V 7BG U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.
Inception Date	31 May 2006

Report of the General Partner

The General Partner, SLCP (General Partner NASP 2006) Limited, presents the audited financial statements of NASP 2006 Special Limited Partnership ("the Partnership") for the year ended 31 December 2021.

Structure of the Partnership

The Partnership is a Scottish Limited Partnership and closed in October 2006, with a total size of US\$975,300 with six Limited Partners' commitments. On 28 December 2007 the fund size of North American Strategic Partners 2006 L.P. ("NASP 2006") was frozen at US\$274.5 million with each Partner's commitment reduced on a pro rata basis. The structure of the Partnership is detailed further in note 1 to the financial statements.

Directors of the General Partner

NASP 2006 General Partner Limited Partnership has acted as the General Partner of the Partnership throughout the year and there have been no changes to its Limited Partners during the year. SLCP (General Partner NASP 2006) Limited has acted as the General Partner of NASP 2006 General Partner Limited Partnership throughout the year. Please refer to the financial statements of SLCP (General Partner NASP 2006) Limited for the names of the Directors. Ian Harris resigned as Director on 1 October 2021. Stewart Hay and Roger Pim resigned on 22 February 2022. James Bryden, Simon Tyszko, Merrick McKay and Mark Lemond were appointed as Directors on 22 February 2022.

Distributions

Distributions of US\$69,304 (2020: US\$31,791) were made during the year of which US\$44 (2020: US\$25) was temporary return of capital, which is recallable.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 8. A description of the principal activity of the Partnership is provided in note 1 to the financial statements.

The manager's report for NASP 2006, which is issued separately from the financial statements of the Partnership, contains detailed analysis of each of NASP 2006's investments, together with commentary on the economic climate and how this impacts the private equity market.

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, following the expiry of its final extension period, and will be dissolved following the disposal of all investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. It is expected that the winding up process will take several years to complete. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than the going concern basis.

Events during the year

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, continues to impact many aspects of daily life and the global economy. On 11 November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

Report of the General Partner (continued)

Events during the year (continued)

The General Partner, as part of the abrdn plc group (formerly known as Standard Life Aberdeen plc group), is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19. Please refer to note 3.2 for the General Partner's assessment of the Partnership's ability to continue as a going concern.

Events after the reporting period

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Partnership.

The General Partner has identified no other significant events after the reporting date.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Partnership's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Independent auditor

The General Partner has reappointed Nexia Smith & Williamson as auditor to the Partnership in accordance with Section 485 of the Companies Act 2006.


Data protection

abrdn Capital Partners LLP has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is therefore exempt from preparing a strategic report.

Signed on behalf of the General Partner

DocuSigned by:

CBB8CB2CBD399478...
James Bryden

Director, SLCP (General Partner NASP 2006) Limited
31 May 2022

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the Report of the General Partner and the financial statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 ("the Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has prepared the Partnership's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the U.K. and Republic of Ireland" ("FRS 102").

Under Company law as applied to qualifying partnerships, the General Partner 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 Partnership and of the profit or loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

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

Independent Auditor's Report to the Partners of NASP 2006 Special Limited Partnership

Opinion

We have audited the financial statements of NASP 2006 Special Limited Partnership (the 'qualifying partnership') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Partners, the Statement of Cash Flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

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

Emphasis of matter – not a going concern

We draw attention to notes 3.1 and 3.2 in the financial statements, which explain that the financial statements have not been prepared on a going concern basis for the reasons set out in those notes. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Financial Statements other than the financial statements and our auditor's report thereon. The General Partner is responsible for the other information contained within the Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has 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 qualifying partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the General Partner's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Independent Auditor's Report to the Partners of NASP 2006 Special Limited Partnership (continued)

Responsibilities of the General Partner

As explained more fully in the Statement of General Partner's Responsibilities set out on page 4, the General Partner is 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 General Partner determines 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 General Partner is responsible for assessing the qualifying 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 General Partner either intends to liquidate the qualifying partnership or to cease operations, or has 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.

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 obtained a general understanding of the qualifying partnership's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the qualifying partnership's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of the qualifying partnership's industry and regulation.

We understand that the qualifying partnership complies with requirements of the framework through:

- The General Partner managing and overseeing a risk function;
- Internal reviews and reporting;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- The General Partner's close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the qualifying partnership's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the qualifying partnership:

- The Companies Act 2006 as applied to qualifying partnerships and FRS 102 in respect of the preparation and presentation of the financial statements.

To gain evidence about compliance with the significant laws and regulations above we made enquiries of management and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the qualifying partnership's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and valuation of financial assets held at fair value. These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing a sample of valuations of financial assets held at fair value at 31 December 2021; and
- Testing a sample of manual journal entries, selected through applying specific risk assessments based on the qualifying partnership's processes and controls surrounding manual journal entries.

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

Independent Auditor's Report to the Partners of NASP 2006 Special Limited Partnership (continued)

Use of our report

This report is made solely to the qualifying partnership's partners, 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 qualifying partnership's partners 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 qualifying partnership and the qualifying partnership's partners as a body, for our audit work, for this report, or for the opinions we have formed.



Lindsay Manson
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

Date: 31 May 2022

Statement of Comprehensive Income

	Year ended 31 December 2021	Year ended 31 December 2020
	US\$	US\$
Loss		
Other Income	157	-
Net unrealised movement on investment	(1,471)	(29,824)
Total loss	(1,314)	(29,824)
Expenses		
Other expense	-	(157)
Total expenses	-	(157)
Operating loss	(1,314)	(29,981)
Loss for the financial year	(1,314)	(29,981)

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Partnership has no components of other comprehensive income in the current and comparative year.

The notes 1 to 13 form an integral part of these financial statements.

Statement of Financial Position

		At 31 December 2021	At 31 December 2020
	Notes	US\$	US\$
Current assets			
Financial assets at fair value through profit or loss	8, 11	3,658	71,514
Debtors	6	706	-
Cash and cash equivalents		549	86
Current liabilities			
Creditors due within one year	7	(1,012)	-
Net current assets		3,901	71,600
Net assets attributable to Partners		3,901	71,600
Partners' capital			
General Partner		-	-
Carried Interest Partners		16	16
Limited Partners		3,885	71,584
Total Partners' capital		3,901	71,600

The notes 1 to 13 form an integral part of these financial statements.

The financial statements set out on pages 8 to 19 were approved by the General Partner on 31 May 2022 and signed on its behalf by:

DocuSigned by:

James Bryden

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James Bryden

Director, SLCP (General Partner NASP 2006) Limited

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2021

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Net assets attributable to Partners at the start of the year	-	16	71,584	71,600
Partners' loan drawn	-	-	2,919	2,919
Temporary return of capital to Partners	-	-	(44)	(44)
Distributions to Partners	-	-	(69,260)	(69,260)
Net distributed	-	-	(66,385)	(66,385)
Loss for the financial year	-	-	(1,314)	(1,314)
Net assets attributable to Partners at the end of the year	-	16	3,885	3,901

Net Assets Attributable to Partners since inception to 31 December 2021

	General Partner	Carried Interest Partners	Limited Partners	Total
	US\$	US\$	US\$	US\$
Partners' capital drawn	-	16	10	26
Partners' loan drawn	-	-	854,835	854,835
Temporary return of capital to Partners	-	-	(71,050)	(71,050)
Distributions to Partners	-	-	(1,171,672)	(1,171,672)
Net drawn / (distributed)	-	16	(387,877)	(387,861)
Profit for the financial period	-	-	391,762	391,762
Net assets attributable to Partners at the end of the period	-	16	3,885	3,901

The notes 1 to 13 form an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2020

	General Partner US\$	Carried Interest Partners US\$	Limited Partners US\$	Total US\$
Net assets attributable to Partners at the start of the year	-	16	128,582	128,598
Partners' loan drawn	-	-	4,774	4,774
Temporary return of capital to Partners	-	-	(25)	(25)
Distributions to Partners	-	-	(31,766)	(31,766)
Net distributed	-	-	(27,017)	(27,017)
Loss for the financial year	-	-	(29,981)	(29,981)
Net assets attributable to Partners at the end of the year	-	16	71,584	71,600

Net Assets Attributable to Partners since inception to 31 December 2020

	General Partner US\$	Carried Interest Partners US\$	Limited Partners US\$	Total US\$
Partners' capital drawn	-	16	10	26
Partners' loan drawn	-	-	851,916	851,916
Temporary return of capital to Partners	-	-	(71,006)	(71,006)
Distributions to Partners	-	-	(1,102,412)	(1,102,412)
Net drawn / (distributed)	-	16	(321,492)	(321,476)
Profit for the financial period	-	-	393,076	393,076
Net assets attributable to Partners at the end of the period	-	16	71,584	71,600

The notes 1 to 13 form an integral part of these financial statements.

Statement of Cash Flows

	Year ended 31 December 2021	Year ended 31 December 2020
	US\$	US\$
Cash flows from operating activities		
Operating Loss	(1,314)	(29,981)
Increase in Debtors	(706)	-
Increase in Creditors due within one year	1,012	-
Net unrealised movement on investment	1,471	29,824
Net cash inflow / (outflow) from operating activities	463	(157)
Cash flows from investing activities		
Contributions to NASP 2006	(2,919)	(4,774)
Distributions from NASP 2006	69,304	31,791
Net cash inflow from investing activities	66,385	27,017
Cash flows from financing activities		
Partners' loan drawn	2,919	4,774
Temporary return of capital to Partners	(44)	(25)
Distributions to Partners	(69,260)	(31,766)
Net cash outflow from financing activities	(66,385)	(27,017)
Net increase / (decrease) in cash and cash equivalents	463	(157)
Cash and cash equivalents at the start of the year	86	243
Cash and cash equivalents at the end of the year	549	86

The notes 1 to 13 form an integral part of these financial statements.

Notes to the Financial Statements

1. Partnership background

The Partnership was organised as a Limited Partnership registered in Scotland under the Limited Partnerships Act 1907 and commenced trading on 31 May 2006. The Partnership's registered office is 1 George Street, Edinburgh, EH2 2LL, U.K. The Partnership's principal place of business is disclosed under Manager, General Partner and Advisors on page 1. The purpose of the Partnership is to be a Founder Partner and an investor in NASP 2006. At its final close, on 17 January 2007, NASP 2006 had a total fund size of US\$302.3 million. At that time the Partnership made a commitment of US\$975,000 as an investor interest and US\$21 of capital as the Founder Partner in NASP 2006. The other investors in NASP 2006 include North American Strategic Partners (Feeder) 2006 ("NASP Feeder 2006") and NASP 2006 General Partner Limited Partnership ("NASP 2006 GP"). NASP 2006 GP made a US\$600,000 commitment to the Partnership in addition to its commitment of US\$1.3 million made directly to NASP 2006. On 28 December 2007, it was decided that no further commitments would be made by NASP 2006 and the fund size was frozen at US\$274.5 million with each Partner's commitment reduced on a pro rata basis. As a result, the Partnership's commitment to NASP 2006 has been reduced to US\$885,300. NASP 2006 Special Limited Partnership's audited financial statements are prepared for the year ended 31 December 2021. The Partnership's financial statements are not consolidated elsewhere.

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. The initial term of NASP 2006 expired on the twelfth anniversary of the final closing, being 17 January 2019, following which the General Partner exercised its discretion to extend the term by three additional one-year periods to 17 January 2022. NASP 2006 entered liquidation on 17 January 2022, following the expiry of the final extension period, and will be dissolved following the disposal of the residual portfolio. It is expected that the winding up process will take several years to complete.

The Partnership's General Partner, SLCP (General Partner NASP 2006) Limited, is a Scottish limited partnership. abrdn Capital Partners LLP acts as Manager and is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. IQ EQ Administration Services (UK) Ltd acts as the Administrator to the Partnership. Societe Generale acts as the Partnership's bank. The Partnership has no employees.

2. Statement of compliance

The financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the Companies Act 2006 and the Regulations.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022; following the expiry of the final extension period, and will be dissolved following the disposal of the investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. Accordingly, these financial statements are prepared on a basis other than the going concern basis. At 31 December 2021, the realisable value of the Partnership's assets and liabilities equated to their fair value. The financial statements are presented in U.S. Dollar (US\$), which is also the Partnership's functional currency. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 4.

3.2 Going concern

As disclosed in note 1, the term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, therefore these financial statements have been prepared on a basis other than the going concern basis. All assets and liabilities are classified as current assets and liabilities and are stated at their realisable value. In the opinion of the Manager, the realisable value of the Partnership's assets and liabilities at 31 December 2021 equated to their fair value.

3.3 Consolidation and subsidiaries

The Partnership does not have any subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value in accordance with FRS 102. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value, and as described in the notes overleaf.

Notes to the Financial Statements

3. Summary of significant accounting policies (continued)

3.3 Consolidation and subsidiaries (continued)

Where the Partnership is deemed to control an underlying subsidiary, whereby the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying subsidiary and its results are also not consolidated and are instead reflected as financial assets at fair value with changes in fair value reflected in the Statement of Comprehensive Income.

The Partnership has a controlled subsidiary which is held as part of its investment portfolio and is measured at fair value. As such no consolidated financial statements are prepared.

3.4 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Partnership are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 3.9.

3.5 Financial instruments

The Partnership has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Investment in NASP 2006 is held as an equity investment and is therefore treated as other financial assets, which are initially measured at fair value and subsequently carried at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

b) Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future outflows/payments discounted at a market rate of interest.

These financial liabilities are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.6 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2021 and 31 December 2020, there were no cash equivalents.

3.7 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Limited Partners are individually responsible for reporting their share of the Partnership's income, gains and losses for taxation purposes.

Withholding tax suffered by the Partnership on the gains and income on the underlying investments in NASP 2006 LP is included within expenses. Provisions for withholding tax are calculated based on available information and estimates from underlying investments of NASP 2006 LP.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.8 Net assets attributable to Partners

The Partnership's contributed capital consists of capital and loan contributions. Net assets attributable to Partners are classified as a financial liability, due to the Partnership's finite life and contractual payment provisions to each of the Partners.

3.9 Distribution of income proceeds and capital proceeds between Partners

The Limited Partnership Agreement provides that the General Partner and each Limited Partner share in the profits and losses of NASP 2006 and NASP 2006 Special except that no Limited Partner will become liable for obligations of the Partnership in excess of their commitments. Profits and losses are allocated on the last day of each period.

Per clause 4.4 of the Agreement, after payment of any properly incurred expenses and liabilities of the Partnership, distributions shall be apportioned as follows:

(a) Amounts received by the Partnership from NASP 2006 and attributable to the Partnership's interest in NASP 2006 as the Founder Partner and not as an investor shall be allocated to the Carried Interest Partners in proportion to their respective Carried Interest Shares at the date of the relevant allocation to which the distribution relates;

(b) Amounts received by the Partnership from NASP 2006 and attributable to the Partnership's interest in NASP 2006 as an Investor shall be allocated to the Carried Interest Partners in proportion to their respective Investor Commitments (if any) at the date of the relevant allocation to which the distribution relates;

(c) Any amounts of capital contribution of NASP 2006 which are repaid to the Partnership shall be paid to the Limited Partners in proportion to the balances in the capital contribution accounts of such Limited Partners; and

(d) Other Distributions: Distributions not described above shall be made to the Carried Interest Partners in proportion to their respective Carried Interest Shares at the date of the relevant allocation to which the distribution relates.

Based on a hypothetical liquidation of the investments held by the Partnership at the Statement of Financial Position date, the Partnership would become liable for carried interest of US\$Nil (2020: US\$Nil).

4. Critical accounting estimates and judgements

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to apply judgements and estimates of the carrying value of certain assets and liabilities in applying the Partnership's accounting policies that have a significant impact on the amounts recognised in the financial statements.

4.1 Judgements

There are no significant judgements in the view of management.

4.2 Sources of estimation uncertainty

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Partnership. Such changes are reflected in the assumptions when they occur.

4.3 Fair value of investments not quoted in an active market

When the fair value of financial assets cannot be derived from an active market, their fair value is determined by using a variety of valuation techniques such as comparable recent arm's length transactions, capital asset pricing model and discounted cash flow.

The Partnership's investment in NASP 2006 is currently stated at fair value as estimated by the General Partner. The General Partner considers the balance of the Partnership's capital account in NASP 2006 as being equal to fair value.

5. Expenses

The expenses of the Partnership, including audit fees of US\$7,721 (2020: US\$12,928), were met by NASP 2006.

Notes to the Financial Statements (continued)

6. Debtors

	At 31 December 2021 US\$	At 31 December 2020 US\$
Due from Limited Partners	591	-
Due from General Partner	115	-
	<u>706</u>	<u>-</u>

7. Creditors

	At 31 December 2021 US\$	At 31 December 2020 US\$
Due to NASP 2006 LP	1,002	-
Due to Limited Partners	10	-
Total	<u>1,012</u>	<u>-</u>

8. Investment in NASP 2006

The Partnership holds an investment in NASP 2006 wherein the registered office is at 1 George Street, Edinburgh, EH2 2LL, U.K. NASP 2006's investment objective is to carry on the business of an investor in funds investing in unquoted securities ("Limited Partnership Interest"). Its Partnership Interests are based primarily in North America in accordance with the provisions within, and subject to, the Agreement. It also conducts investment activities for its feeder partnership, North American Strategic Partners (Feeder) 2006 ("NASP Feeder 2006").

The Partnership is also the Founder Partner of NASP 2006 and is therefore entitled to its share of the profits of NASP 2006. NASP 2006's limited partnership agreement (clause 7.2) provides that the partners of NASP 2006 will receive distributions equalling the sum of: (a) repayment of Partners' Outstanding Capital Commitments; and (b) Preferred Return.

In general, subsequent distributions will be allocated 100% to the Founder Partner until the Founder Partner has received aggregate distributions equalling 5% of net profits from Portfolio Investments.

All remaining distributions in excess of the catch up amount, described above, will be allocated: (a) 5% to the Founder Partner; and (b) 95% to all Limited Partners in proportion to their Loan Commitments.

The percentage capital holding in NASP 2006 is 0.32% with total capital investment of US\$852,469 (2020: US\$849,550) at year end.

During the year ended 31 December 2021, NASP 2006 generated a loss from operations of US\$ 523,713 (2020: US\$ 9,468,750). The maximum exposure to loss from the Partnership's investment in NASP 2006 is its capital commitment of US\$885,300. Further information relating to the fair value of the Partnership's investment is contained in note 11.

9. Related party transactions

The General Partner's General Partner is a wholly owned subsidiary of the immediate controlling party, abrdn CP (Holdings) Limited (formerly known as SLCP (Holdings) Limited), which is a subsidiary of the ultimate parent, abrdn plc.

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Partnership. The key management personnel for the Partnership is considered to be the General Partner. During the year ended 31 December 2021, there was no compensation paid (2020: US\$Nil) to the General Partner for management services provided.

Certain employees of the Manager are Carried Interest Partners and investors in the Partnership and are entitled to participate in the profits as disclosed in note 3.9.

Notes to the Financial Statements (continued)

10. Risk management

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, continues to impact many aspects of daily life and the global economy. On 11 November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

The General Partner, as part of the abrdn plc group, is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19.

The Partnership's financial assets are predominantly unsecured investments in a single limited partnership, in which the maximum risk is considered to be the amount committed to the fund investment.

The Partnership's investment in NASP 2006 exposes it to various types of risk that are associated with the financial instruments and markets in which NASP 2006 invests. The most important types of financial risks which NASP 2006 and therefore the Partnership are exposed to are market risk, credit risk and liquidity risk. The risk management policies employed by the Partnership are detailed below:

10.1 Market risk

The Partnership is at risk of the economic cycle impacting the quoted markets and hence potentially the pricing of investment deals, the valuation of the underlying investment and the price and timing of exits. Market risk comprises interest rate risk, currency risk and price risk.

The Partnership has no material exposure to interest rate risk, currency risk or price risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

10.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Partnership's credit risk is mainly arising from the Partnership's investment in NASP 2006. The Partnership monitors the performance of NASP 2006 and its underlying investments.

The Partnership places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2021, all of the Partnership's cash was held by Societe Generale which was rated "A" by Standard & Poor's as at the date of the Report of the General Partner.

At 31 December 2021, the assets held by the Partnership are not past due or impaired (2020: US\$Nil).

10.3 Liquidity risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Investments in unquoted equity are less marketable than those in quoted equity, as they have to be sold privately via a secondary market subject to approval of the General Partner of NASP 2006 rather than on a public stock market. As a result, the Partnership may not be able to quickly liquidate its investment at an amount equal to fair value in order to meet its liquidity requirements, or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

During the year ended 31 December 2021, the Partnership generated a loss of US\$1,314 (2020: US\$29,981) of which US\$1,471 was unrealised losses on investments (2020: US\$29,824). Cash resources at the year end amounted to US\$549 (2020: US\$86). The liabilities of the Partnership (excluding net assets attributable to Partners) are due on demand. In addition, the Partnership had available to it undrawn commitments of US\$101,505 (2020: US\$104,378) from its Limited Partners, which are also due on demand.

Notes to the Financial Statements (continued)

10. Risk management (continued)

10.4 Capital risk management

The capital of the Partnership is represented by the net assets attributable to Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of net assets attributable to Partners.

The Partnership has no material exposure to capital risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

The Partnership does not have any externally imposed capital requirements.

11. Financial assets at fair value through profit or loss

FRS 102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

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 that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of the Partnership's investment within the hierarchy is based upon the pricing transparency of that investment and does not necessarily correspond to the General Partner's perceived risk of the investment. The investment is classified within Level 3 as it has unobservable inputs and trades infrequently or not at all.

The determination of what constitutes "observable" requires significant estimation by the General Partner. The General Partner considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Partnership's investment measured at fair value:

At 31 December 2021

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	3,658	3,658

At 31 December 2020

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	71,514	71,514

There were no transfers between levels during the current and comparative year.

Determining the fair value of the Partnership's investment requires estimation and considers factors specific to the investment. The valuation policies applied by the General Partner are detailed in note 4.3

Notes to the Financial Statements (continued)

11. Financial assets at fair value through profit or loss (continued)

The changes in the investment measured at fair value for which the Partnership has used Level 3 inputs to determine fair value are as follows:

	31 December 2021	31 December 2020
	US\$	US\$
Balance at the start of the year	71,514	128,355
Purchases	2,919	4,774
Sales	(69,304)	(31,791)
Unrealised losses on investment	(1,471)	(29,824)
Balance at the end of the year	3,658	71,514
Unrealised movement included in profit or loss relating to investment still held at the reporting date	(1,471)	(29,824)

12. Commitments and contingencies

At 31 December 2021, the Partnership had a commitment of US\$885,300 (2020: US\$885,300) as an investor in NASP 2006, and as of 31 December 2021 has funded US\$779,166 (2020: US\$776,291). The Partnership has also committed and funded US\$16 (2020: US\$16) as the Founder Partner in NASP 2006. In addition, the Partnership has unfunded commitments including recallable distributions of US\$106,134 (2020: US\$109,009). Note 1 provides further information on commitment timeframe and funding.

There are no contingent assets or liabilities that require disclosure in the financial statements at the year end (2020: US\$Nil).

13. Events after the reporting date

Subsequent events have been evaluated up to 31 May 2022.

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Partnership.

The General Partner has identified no other significant events after the reporting date.

North American Strategic Partners (Feeder) 2006

Financial Statements for the year ended 31 December 2021

Table of Contents	Page
Manager, General Partner and Advisors	1
Report of the General Partner	2
Statement of General Partner's Responsibilities	5
Independent Auditor's Report	6
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Net Assets Attributable to Partners	11
Statement of Cash Flows	13
Notes to the Financial Statements	14

Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Manager and Principal Place of Business	abrdn Capital Partners LLP (formerly known as SL Capital Partners LLP) 1 George Street Edinburgh, EH2 2LL U.K.
General Partner	NASP 2006 General Partner Limited Partnership 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Tax Advisor	Ernst & Young LLP 25 Churchill Place London, E14 5EY U.K.
Independent Auditor	Nexia Smith & Williamson 45 Gresham Street London, EC2V 7BG U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.
Inception Date	1 December 2004

Report of the General Partner

The General Partner, NASP 2006 General Partner Limited Partnership, presents the audited financial statements of North American Strategic Partners (Feeder) 2006 ("the Partnership") for the year ended 31 December 2021.

Structure of the Partnership

The Partnership is a Scottish Limited Partnership constituted on 1 December 2004 under the name Standard Life US Investment Limited Partnership. On 31 May 2006 the Partnership changed its name to North American Strategic Partners (Feeder) 2006. On 28 September 2006 Standard Life Investments (General Partner) Limited retired as general partner of the Partnership and assigned all its rights and interests to the current General Partner.

North American Strategic Partners 2006 L.P. ("the Fund" or "NASP 2006") held its final close on 17 January 2007 with aggregate commitments of US\$302.3 million and a Partnership size of US\$241.4 million. On 28 December 2007 the Partnership size was frozen at US\$219.6 million with each Partner's commitment reduced on a pro rata basis.

The structure of the Partnership is detailed further in note 1 to the financial statements.

Directors of the General Partner

NASP 2006 General Partner Limited Partnership has acted as the General Partner of the Partnership throughout the year and there have been no changes to its Limited Partners during the year. SLCP (General Partner NASP 2006) Limited has acted as the General Partner of NASP 2006 General Partner Limited Partnership throughout the year. Please refer to the financial statements of SLCP (General Partner NASP 2006) Limited for the names of the Directors. Ian Harris resigned as Director on 1 October 2021. Stewart Hay and Roger Pim resigned on 22 February 2022. James Bryden, Simon Tyszko, Merrick McKay and Mark Lemond were appointed as Directors on 22 February 2022.

Distributions

Distributions of US\$16,776,368 (2020: US\$7,614,360) were made during the year of which US\$10,765 (2020: US\$6,126) was temporary return of capital, which is recallable.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 9. A description of the principal activity of the Partnership is provided in note 1 to the financial statements.

The manager's report for NASP 2006, which is issued separately from the financial statements of the Partnership, contains detailed analysis of each of NASP 2006's investments, together with commentary on the economic climate and how this impacts the private equity market.

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, following the expiry of its final extension period, and will be dissolved following the disposal of all investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. It is expected that the winding up process will take several years to complete. No management profit share will be payable to the General Partner during the winding up period. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than the going concern basis.

Events during the year

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, continues to impact many aspects of daily life and the global economy. On 11 November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

Report of the General Partner (continued)

Events during the year (continued)

COVID-19 (continued)

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

The General Partner, as part of the abrdn plc group (formerly known as Standard Life Aberdeen plc group), is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19. Please refer to note 3.2 for the General Partner's assessment of the Partnership's ability to continue as a going concern.

Events after the reporting date

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Partnership.

The General Partner has identified no other significant events after the reporting date.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Partnership's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Independent auditor

The General Partner has reappointed Nexia Smith & Williamson as auditor to the Partnership in accordance with Section 485 of the Companies Act 2006.

Data protection

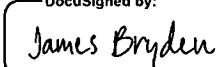
abrdn Capital Partners LLP has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Report of the General Partner (continued)

Strategic report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is therefore exempt from preparing a strategic report.

Signed on behalf of the General Partner

DocuSigned by:

CBBCB2C8D399478...
James Bryden
Director, SLCP (General Partner NASP 2006) Limited
31 May 2022

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the Report of the General Partner and the financial statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 ("the Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has prepared the Partnership's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the U.K. and Republic of Ireland" ("FRS 102").

Under Company law as applied to qualifying partnerships, the General Partner 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 Partnership and of the profit or loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

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

Independent Auditor's Report to the Partners of North American Strategic Partners (Feeder) 2006

Opinion

We have audited the financial statements of North American Strategic Partners (Feeder) 2006 (the 'qualifying partnership') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Partners, the Statement of Cash Flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

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

Emphasis of matter – not a going concern

We draw attention to notes 3.1 and 3.2 in the financial statements, which explain that the financial statements have not been prepared on a going concern basis for the reasons set out in those notes. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Financial Statements other than the financial statements and our auditor's report thereon. The General Partner is responsible for the other information contained within the Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has 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 qualifying partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
or

Independent Auditor's Report to the Partners of North American Strategic Partners (Feeder) 2006 (continued)

Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the General Partner's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the General Partner

As explained more fully in the Statement of General Partner's Responsibilities set out on page 5, the General Partner is 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 General Partner determines 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 General Partner is responsible for assessing the qualifying 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 General Partner either intends to liquidate the qualifying partnership or to cease operations, or has 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.

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 obtained a general understanding of the qualifying partnership's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the qualifying partnership's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of the qualifying partnership's industry and regulation.

We understand that the qualifying partnership complies with requirements of the framework through:

- The General Partner managing and overseeing a risk function;
- Internal reviews and reporting;
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- The General Partner's close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the qualifying partnership's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the qualifying partnership:

- The Companies Act 2006 as applied to qualifying partnerships and FRS 102 in respect of the preparation and presentation of the financial statements.

To gain evidence about compliance with the significant laws and regulations above we made enquiries of management and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the qualifying partnership's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and valuation of financial assets held at fair value. These areas were communicated to the other members of the engagement team who were not present at the discussion.

Independent Auditor's Report to the Partners of North American Strategic Partners (Feeder) 2006 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

The procedures we carried out to gain evidence in the above areas included;

- Testing a sample of valuations of financial assets held at fair value at 31 December 2021; and
- Testing a sample of manual journal entries, selected through applying specific risk assessments based on the qualifying partnership's processes and controls surrounding manual journal entries.

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

Use of our report

This report is made solely to the qualifying partnership's partners, 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 qualifying partnership's partners 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 qualifying partnership and the qualifying partnership's partners as a body, for our audit work, for this report, or for the opinions we have formed.



Lindsay Manson
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

Date: 31 May 2022

Statement of Comprehensive Income

		Year ended 31 December 2021	Year ended 31 December 2020
	Note	US\$	US\$
Income			
Net unrealised movement on investment *		(410,505)	(7,415,952)
Other income		117	54,602
Total loss		(410,388)	(7,361,350)
Expenses			
Other expense		-	(126)
Management profit share	9	(100)	(100)
Withholding tax		(2,078)	-
Total expenses		(2,178)	(226)
Operating loss		(412,566)	(7,361,576)
Loss for the financial year		(412,566)	(7,361,576)

*Net unrealised movement on investment during the year ended 31 December 2020 includes US\$33,653,623 pertaining to the Partnership's share of the realised loss on disposal of the majority of NASP 2006's Limited Partnership Interests. For further details see note 6.

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Partnership has no components of other comprehensive income in the current or comparative year.

The notes 1 to 14 form an integral part of these financial statements.

Statement of Financial Position

		At 31 December 2021	At 31 December 2020
	Notes	US\$	US\$
Current assets			
Financial assets at fair value through profit or loss	6,12	868,732	17,346,937
Cash		79,888	54,818
Debtors	7	34,796	-
		<u>983,416</u>	<u>17,401,755</u>
Current liabilities			
Creditors due within one year	8	(61,927)	-
		<u>(61,927)</u>	<u>-</u>
Net current assets		<u>921,489</u>	<u>17,401,755</u>
Net assets attributable to Partners		<u>921,489</u>	<u>17,401,755</u>
Partners' Capital			
General Partner		-	-
Limited Partners		921,489	17,401,755
Total Partners' Capital		<u>921,489</u>	<u>17,401,755</u>

The notes 1 to 14 form an integral part of these financial statements.

The financial statements set out on pages 9 to 21 were approved by the General Partner on 31 May 2022 and signed on its behalf by:

DocuSigned by:

 CB8C82C8D399478...
 James Bryden
 Director, SLCP (General Partner NASP 2006) Limited

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2021

	General Partner	Limited Partners	Total
	US\$	US\$	US\$
Net assets attributable to Partners at the start of the year	-	17,401,755	17,401,755
Partners' loan drawn	-	708,668	708,668
Temporary return of capital to Partners	-	(10,765)	(10,765)
Distributions to Partners	-	(16,765,603)	(16,765,603)
Net distributed	-	(16,067,700)	(16,067,700)
Loss for the financial year	-	(412,566)	(412,566)
Net assets attributable to Partners at the end of the year	-	921,489	921,489

Net Assets Attributable to Partners since inception to 31 December 2021

	General Partner	Limited Partners	Total
	US\$	US\$	US\$
Partners' capital drawn	-	241	241
Partners' loan drawn	-	212,000,821	212,000,821
Temporary return of capital to Partners	-	(17,417,146)	(17,417,146)
Distribution to Partners	-	(277,761,323)	(277,761,323)
Net distributed	-	(83,177,407)	(83,177,407)
Profit for the financial period	-	84,098,896	84,098,896
Net assets attributable to Partners at the end of the period	-	921,489	921,489

The notes 1 to 14 form an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Partners for the year ended 31 December 2020

	General Partner	Limited Partners	Total
	US\$	US\$	US\$
Net assets attributable to Partners at the start of the year	-	31,218,762	31,218,762
Partners' loan drawn	-	1,158,929	1,158,929
Temporary return of capital to Partners	-	(6,126)	(6,126)
Distributions to Partners	-	(7,608,234)	(7,608,234)
Net distributed	-	(6,455,431)	(6,455,431)
Loss for the financial year	-	(7,361,576)	(7,361,576)
Net assets attributable to Partners at the end of the year	-	17,401,755	17,401,755

Net Assets Attributable to Partners since inception to 31 December 2020

	General Partner	Limited Partners	Total
	US\$	US\$	US\$
Partners' capital drawn	-	241	241
Partners' loan drawn	-	211,292,153	211,292,153
Temporary return of capital to Partners	-	(17,406,381)	(17,406,381)
Distributions to Partners	-	(260,995,720)	(260,995,720)
Net distributed	-	(67,109,707)	(67,109,707)
Profit for the financial period	-	84,511,462	84,511,462
Net assets attributable to Partners at the end of the period	-	17,401,755	17,401,755

The notes 1 to 14 form an integral part of these financial statements.

Statement of Cash Flows

		Year ended 31 December 2021	Year ended 31 December 2020
		US\$	US\$
	Notes		
Cash flows from operating activities			
Operating loss		(412,566)	(7,361,576)
Increase in debtors	7	(34,796)	-
Increase in creditors due within one year	8	61,927	-
Net unrealised movement on investments		410,505	7,415,952
Contributions to NASP 2006		(708,668)	(1,158,929)
Distributions from NASP 2006		16,776,368	7,614,360
Net cash inflow from operating activities		16,092,770	6,509,807
Cash flows from financing activities			
Partners' loan drawn		708,668	1,158,929
Temporary return of capital to Partners		(10,765)	(6,126)
Distributions to Partners		(16,765,603)	(7,608,234)
Net cash outflow from financing activities		(16,067,700)	(6,455,431)
Net increase in cash		25,070	54,376
Cash and cash equivalents at the start of the year		54,818	442
Cash and cash equivalents at the end of the year		79,888	54,818

The notes 1 to 14 form an integral part of these financial statements.

Notes to the Financial Statements

1. Partnership background

The Partnership was organised as a Limited Partnership registered in Scotland under the Limited Partnerships Act 1907 and commenced trading activities on 1 December 2004 under the name Standard Life US Investment Limited Partnership. The Partnership's principal place of business is disclosed under Manager, General Partner and Advisors on page 1. The Partnership held its first close on 1 December 2004, with one Limited Partner committing US\$170 million, when assets were contributed to the Partnership by the Limited Partner. On 30 June 2006 the Partnership contributed the portfolio of fund investments to the Fund as a capital contribution. It then held a further close in October 2006 when it admitted further Limited Partners bringing the size of the Partnership to US\$233.1 million and the Fund to US\$294 million. On 17 January 2007 the Fund held its final close increasing its size to US\$302.3 million and the Partnership's size to US\$241.4 million. As per the Limited Partnership Agreement of North American Strategic Partners (Feeder) 2006 ("the Agreement"), the Effective Date that subsequent investors will be equalised from is 30 June 2006. On 28 December 2007, it was decided that no further commitments would be made by NASP 2006 and the Fund size was frozen at US\$274.5 million with each Partner's commitment reduced on a pro rata basis. As a result, the Partnership's commitment has been reduced to US\$219.6 million. The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. The initial term of NASP 2006 expired on the twelfth anniversary of the final closing, being 17 January 2019, following which the General Partner exercised its discretion to extend the term by three additional one-year periods to 17 January 2022. NASP 2006 entered liquidation on 17 January 2022, following the expiry of the final extension period, and will be dissolved following the disposal of the residual portfolio. It is expected that the winding up process will take several years to complete.

The Partnership's investment objective is to carry on the business of an investor in funds and in particular, but without limitation, as an investor in NASP 2006 which will carry on the business of an investor investing in unquoted securities based primarily in North America. The financial statements of NASP 2006, including the Schedule of Investments, are provided separately to investors and should be read with the Partnership's financial statements. North American Strategic Partners (Feeder) 2006's audited financial statements are prepared for the year ended 31 December 2021. The Partnership's financial statements are not consolidated elsewhere. The percentage of NASP 2006 owned by the Partnership at 31 December 2021 was 78.3%.

Investment in the Partnership may be deemed speculative and involves significant risk factors and is suitable only for sophisticated investors who have limited need for liquidity in their investment and can accept a high degree of risk in their investment.

The Partnership's General Partner, NASP 2006 General Partner Limited Partnership, is a Scottish limited partnership. abrdn Capital Partners LLP acts as Manager and is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. IQ EQ Administration Services (UK) Ltd acts as the Administrator to the Partnership. Societe Generale acts as the Partnership's bank. The Partnership has no employees.

The structure of the Partnership at 31 December 2021 was as follows:

	At 31 December 2021 US\$
Commitments	219,596,885
Partners' capital drawn	241
Partners' loan drawn	212,000,821
Temporary return of capital to Partners	(17,417,146)
Funded	194,583,916
% of Commitments	88.6%
Distribution to Partners:	
Paid to Limited Partners	277,761,323
Total distributed	277,761,323
Limited Partners' % distributed of Funded Commitments	142.7%
Net distributed to all Partners	83,177,407

2. Statement of compliance

The financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the Companies Act 2006 and the Regulations.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out overleaf. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

The term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022; following the expiry of the final extension period, and will be dissolved following the disposal of the investments as provided for in clause 11.5 of NASP 2006's Limited Partnership Agreement. Accordingly, these financial statements are prepared on a basis other than the going concern basis. At 31 December 2021, the realisable value of the Partnership's assets and liabilities equated to their fair value. The financial statements are presented in U.S. Dollar (US\$), which is also the Partnership's functional currency. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 4.

3.2 Going concern

As disclosed in note 1, the term of the Partnership is to continue until 90 days after the termination of NASP 2006, after which the Partnership will enter liquidation. NASP 2006 entered liquidation on 17 January 2022, therefore these financial statements have been prepared on a basis other than the going concern basis. All assets and liabilities are classified as current assets and liabilities and are stated at their realisable value. In the opinion of the Manager, the realisable value of the Partnership's assets and liabilities at 31 December 2021 equated to their fair value.

3.3 Consolidation and subsidiaries

The Partnership does not have any subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value in accordance with FRS 102. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value, and as described in the notes below.

Where the Partnership is deemed to control an underlying subsidiary, whereby the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying subsidiary and its results are also not consolidated and are instead reflected as financial assets at fair value with changes in fair value reflected in the Statement of Comprehensive Income.

The Partnership has a controlled subsidiary which is held as part of its investment portfolio and is measured at fair value. As such no consolidated financial statements are prepared.

3.4 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Partnership are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 3.9.

3.5 Financial instruments

The Partnership has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Investment in NASP 2006 is held as an equity investment and is therefore treated as other financial assets, which are initially measured at fair value and subsequently carried at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.5 Financial instruments (continued)

b) Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future outflows/payments discounted at a market rate of interest.

These financial liabilities are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.6 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2021 and 31 December 2020, there were no cash equivalents.

3.7 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Limited Partners are individually responsible for reporting their share of the Partnership's income, gains and losses for taxation purposes.

Withholding tax suffered by the Partnership on the gains and income on the underlying investments of NASP 2006 is included within expenses. Withholding tax refunds received by the Partnership are included within other income. Provisions for withholding tax are calculated based on available information and estimates from underlying investments of NASP 2006.

3.8 Net assets attributable to Partners

The Partnership's contributed capital consists of capital and loan contributions. Net assets attributable to Partners are classified as a financial liability, due to the Partnership's finite life and contractual payment provisions to each of the Partners.

3.9 Distribution of income proceeds and capital proceeds between Partners

The Agreement (clause 7.2) provides that the General Partner and each Limited Partner's share in the net income, net losses, capital gains and capital losses of the Partnership, shall be in proportion to their Capital Contributions, subject to the provisions in clauses 6.3 and 7.1.

As per the Agreement, Partners will receive distributions in accordance with clause 8.1 in the following order of priority: first, in payment of Management Profit Share; and thereafter, to the Partners pro rata to their respective commitments.

At 31 December 2021, no carried interest allocation had been made by the Partnership as the hurdle had not been met (2020: US\$Nil).

Based on a hypothetical liquidation of the investments held by the Partnership at the Statement of Financial Position date, the Partnership would become liable for carried interest of US\$Nil (2020: US\$Nil).

4. Critical accounting estimates and judgements

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to apply judgements and estimates of the carrying value of certain assets and liabilities in applying the Partnership's accounting policies that have a significant impact on the amounts recognised in the financial statements.

4.1 Judgements

There are no significant judgements in the view of management.

4.2. Sources of estimation uncertainty

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Partnership. Such changes are reflected in the assumptions when they occur.

Notes to the Financial Statements (continued)

4. Critical accounting estimates and judgements (continued)

4.3 Fair value of investments not quoted in an active market

When the fair value of financial assets cannot be derived from an active market, their fair value is determined by using a variety of valuation techniques such as comparable recent arm's length transactions, capital asset pricing model and discounted cash flow.

The Partnership's investment in NASP 2006 is currently stated at fair value as estimated by the General Partner. The General Partner considers the balance of the Partnership's capital account in NASP 2006 as being equal to fair value.

5. Expenses

The expenses of the Partnership, including audit fees of US\$11,635 (2020: US\$20,308), are met by NASP 2006.

6. Investment in NASP 2006

The Partnership has held an investment in NASP 2006 since 30 June 2006 wherein the registered office is at 1 George Street, Edinburgh, EH2 2LL, U.K. NASP 2006's investment objective is to carry on the business of an investor in funds investing in unquoted securities ("Limited Partnership Interest"). Its Partnership Interests are based primarily in North America in accordance with the provisions within, and subject to, the Agreement.

The percentage capital holding in NASP 2006 is 78% with total capital investment of US\$206,951,210 (2020: US\$206,242,541) at year end.

During the year ended 31 December 2021, NASP 2006 generated a loss from operations of US\$523,713 (2020: US\$9,468,750). The maximum exposure to loss from the Partnership's investment in NASP 2006 is its capital commitment of US\$214,921,475. On 31 December 2021, the Partnership's investment in NASP 2006 was valued at US\$868,732 (2020: US\$17,346,937). Further information relating to the fair value of the Partnership's investment is contained in note 12.

On 31 December 2020, NASP 2006 disposed of its Limited Partnership Interests in Apax US VII, ECP Helios Partners III, ECP Helios Partners IV, New Mountain Partners III, Sterling Capital Partners II, Sterling Capital Partners III, Sun Capital Partners IV and Sun Capital Partners V on the secondary market. Net proceeds received by NASP 2006 amounted to US\$13,310,177, comprising US\$14,534,373 received on 31 December 2020, less US\$1,224,196 due to the purchaser at year end. Of the net proceeds received, US\$56,287,235 was remaining cost resulting in realised loss of US\$42,977,058. The Partnership's share of the realised loss amounted to US\$33,653,623 which is included in net unrealised movement on investment on the Statement of Comprehensive Income.

7. Debtors

	At 31 December 2021 US\$	At 31 December 2020 US\$
Due from Limited Partners	<u>34,796</u>	<u>-</u>

8. Creditors due within one year

	At 31 December 2021 US\$	At 31 December 2020 US\$
Due to NASP 2006 LP	<u>61,927</u>	<u>-</u>

Notes to the Financial Statements (continued)

9. Management profit share

The Partnership allocates management profit share of US\$100 to the General Partner in respect of each accounting period, payable annually in advance.

The management profit share ranks as the first charge on net income and realised gains in any accounting period and is paid in full by the Partnership whether or not there are sufficient net income and realised gains to cover the amount. Such sums are not recoverable, except against future net income and realised gains of the Partnership.

10. Related party transactions

The Agreement provides for the General Partner to manage and control the Partnership, its investments and other activities. The general partner of NASP 2006 General Partner Limited Partnership is a wholly owned subsidiary of abrdn CP (Holdings) Limited (formerly known as SLCP (Holdings) Limited) which is a subsidiary of its ultimate parent, abrdn plc.

The Manager receives a fee of US\$100, payable annually in advance, from the General Partner of the Partnership in relation to its activity as Manager of the Partnership.

11. Risk management

COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, continues to impact many aspects of daily life and the global economy. On 11 November 2021, a new variant (Omicron), was detected and led to a tightening of restrictions globally in an effort to manage the impact of this highly transmissible variant. The full impact and severity of disease caused by Omicron has yet to be fully determined and understood.

Many sectors of the economy saw positive growth during 2021 as global economies came out of lockdown and rebounded strongly. Travel, movement and operational restrictions were implemented, loosened and re-implemented to a lesser extent by many countries throughout 2021 and this pattern has continued into 2022. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines and booster doses, continues to affect economies globally with certain sectors being impacted harder than others. The success of vaccine programmes continue to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

The General Partner, as part of the abrdn plc group, is continuing to utilise business continuity and resilience processes with the objective of mitigating the impact of COVID-19. Please refer to note 3.2 for the General Partner's assessment of the Partnership's ability to continue as a going concern.

The Partnership's financial asset is an unsecured investment in limited partnerships, in which the maximum risk is considered to be the amount committed to the investment.

The Partnership'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 risks which NASP 2006 and therefore the Partnership are exposed to are market risk, credit risk and liquidity risk. The risk management policies employed by the Partnership are detailed below:

11.1 Market risk

The Partnership is at risk of the economic cycle impacting the quoted markets and hence potentially the pricing of investment deals, the valuation of the underlying investments and the price and timing of exits. Market risk comprises interest rate risk, currency risk and price risk.

a) Interest rate and currency risk

The Partnership has no material exposure to interest rate risk or currency risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

Notes to the Financial Statements (continued)

11. Risk management (continued)

b) Price risk

The Partnership's investment is susceptible to market price risk arising from uncertainties about future values of the underlying investments of NASP 2006.

Price risk is minimised by the Manager constructing a diversified portfolio of fund investments. At 31 December 2021, NASP 2006 held 6 (2020: 6) Limited Partnership Interests investing in 2 underlying investee companies.

A 10% increase in the 31 December 2021 valuation of the Partnership's investments would have increased the net assets attributable to Limited Partners by US\$86,873 (2020: US\$1,734,694); a 10% change in the opposite direction would have decreased the net assets attributable to Limited Partners by an equivalent amount.

11.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Partnership's credit risk is mainly arising from the Partnership's investment in a limited partnership interest in NASP 2006. The Partnership monitors the performance of NASP 2006 and its underlying investments.

The Partnership places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2021, all of the Partnership's cash was held by Societe Generale which was rated "A" by Standard & Poor's as at the date of the Report of the General Partner.

At 31 December 2021, the assets held by the Partnership are not past due or impaired (2020: US\$Nil).

11.3 Liquidity risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Investments in unquoted equity are less marketable than those in quoted equity, as they have to be sold privately via a secondary market subject to approval of the general partner of the fund investment rather than on a public stock market. As a result, the Partnership may not be able to quickly liquidate its investment at an amount equal to fair value in order to meet its liquidity requirements, or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

During the year ended 31 December 2021, the Partnership generated a loss from operations of US\$412,566 (2020: US\$7,361,576) of which US\$410,505 was unrealised losses on investments (2020: US\$7,415,952). Cash resources at the year end amounted to US\$79,888 (2020: US\$54,818). In addition, the Partnership had available to it undrawn commitments of US\$25,012,970 (2020: US\$25,710,873) from its investors.

11.4 Capital risk management

The capital of the Partnership is represented by the net assets attributable to Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of net assets attributable to Partners.

The Partnership has no material exposure to capital risk at 31 December 2021 and 31 December 2020. Therefore, no sensitivity analysis has been performed.

The Partnership does not have any externally imposed capital requirements.

12. Financial assets at fair value through profit or loss

FRS 102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

Notes to the Financial Statements (continued)

12. Financial assets at fair value through profit or loss (continued)

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 that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of the Partnership's investment within the hierarchy is based upon the pricing transparency of that investment and does not necessarily correspond to the General Partner's perceived risk of the investment. The investment is classified within Level 3 as it has unobservable inputs and trades infrequently or not at all.

The determination of what constitutes "observable" requires significant estimation by the General Partner. The General Partner considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Partnership's investment measured at fair value:

At 31 December 2021

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	868,732	868,732

At 31 December 2020

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at fair value through profit or loss	-	-	17,346,937	17,346,937

There were no transfers between levels during the current and comparative years.

Determining the fair value of the Partnership's investment requires estimation and considers factors specific to the investment. The valuation policies applied by the General Partner are detailed in note 4.3.

The changes in the investment measured at fair value for which the Partnership has used Level 3 inputs to determine fair value are as follows:

	Year ended 31 December 2021 US\$	Year ended 31 December 2020 US\$
Balance at start of the year	17,346,937	31,218,320
Purchases	708,668	1,158,929
Sales	(16,776,368)	(7,614,360)
Unrealised losses on investment	(410,505)	(7,415,952)
Balance at end of the year	868,732	17,346,937
Unrealised movement included in loss relating to the investment still held at the reporting date	(410,505)	(7,415,952)

Notes to the Financial Statements (continued)

13. Commitments and contingencies

The Partnership has committed an aggregate of US\$214,921,475 (2020: US\$214,921,475) to NASP 2006, and as of 31 December 2021 had funded US\$189,155,771 (2020: US\$188,457,868).

14. Events after the reporting date

Subsequent events have been evaluated up to 31 May 2022.

There have not been any permanent distributions made to the Limited Partners after the reporting date.

Post the year-end date, on 24 February 2022, Russia launched a military offensive in Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats.

As at the date of the approval of the financial statements the Partnership did not hold any assets in Ukraine or Russia. The Partnership's key suppliers do not have operations pertaining to the Partnership in Ukraine or Russia.

The situation in the region is rapidly evolving and the General Partner and the Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Partnership's Investors. This includes but is not limited to ensuring that the requirements of all international sanctions are adhered to, managing the assets of the Partnership proactively to best mitigate risk and ensuring that the Manager and other key suppliers continue to operate all protections, protocols and monitoring of heightened cyber threats. At the time of writing, there is not expected to be any significant long term adverse direct impact from the conflict in Ukraine on the assets, operational activities, processes and procedures of the Partnership.

The General Partner has identified no other significant events after the reporting date.