

Registered Number 07477742

ABERDEEN EUROPEAN INFRASTRUCTURE GP LIMITED

Micro-entity Accounts

31 December 2019

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ABERDEEN EUROPEAN INFRASTRUCTURE GP LIMITED**Registered Number 07477742****Micro-entity Balance Sheet as at 31 December 2019**

	<i>Notes</i>	<i>2019</i>	<i>2018</i>
		<i>£</i>	<i>£</i>
Fixed Assets		2	1
Current Assets		404,129	454,008
Prepayments and accrued income		-	-
Creditors: amounts falling due within one year		(403,130)	(453,008)
Net current assets (liabilities)		<u>999</u>	<u>1,000</u>
Total assets less current liabilities		<u>1,001</u>	<u>1,001</u>
Creditors: amounts falling due after more than one year		0	0
Provisions for liabilities		0	0
Accruals and deferred income		0	0
Total net assets (liabilities)		<u>1,001</u>	<u>1,001</u>
Capital and reserves		<u>1,001</u>	<u>1,001</u>

- For the year ending 31 December 2019 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.
- The accounts have been prepared in accordance with the micro-entity provisions and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 22 September 2020

And signed on their behalf by:

Ivan Wong, Director

ABERDEEN EUROPEAN INFRASTRUCTURE GP LIMITED

Registered Number 07477742

Notes to the Micro-entity Accounts for the period ended 31 December 2019

1 Employees

	<i>2019</i>	<i>2018</i>
Average number of employees during the period	0	0

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 7477742

Aberdeen European Infrastructure Partners LP

Annual Report and Audited Financial Statements

For the year ended 31 December 2019

Partnership Registration LP014271

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ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

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ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

SUMMARY OF OFFICERS AND PROFESSIONAL ADVISERS

GENERAL PARTNER:	Aberdeen European Infrastructure GP Limited Bow Bells House 1 Bread Street London EC4M 9HH
DIRECTORS OF THE GENERAL PARTNER:	M S Amin G D Cohen I H Y Wong
REGISTERED OFFICE:	Bow Bells House 1 Bread Street London EC4M 9HH
ADMINISTRATOR:	TMF Group Fund Administration (Guernsey) Limited (formerly State Street (Guernsey) Limited) * Western Suite Ground Floor Mill Court La Charroterie St Peter Port Guernsey GY1 1EJ
BANKERS:	Lloyds Bank International Limited Sarnia House Le Truchot St Peter Port Guernsey GY1 4EF Barclays Bank Le Marchant House Le Truchot St Peter Port Guernsey GY1 3BE
INDEPENDENT AUDITOR:	PricewaterhouseCoopers CI LLP P.O. Box 321 Royal Bank Place 1 Gategny Esplanade St Peter Port Guernsey GY1 4ND

* On 7 October 2019, State Street (Guernsey) Limited changed its name to TMF Group Fund Administration (Guernsey) Limited.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

SUMMARY OF OFFICERS AND PROFESSIONAL ADVISERS (CONTINUED)

INVESTMENT MANAGER: Aberdeen Standard Fund Managers Limited
(formerly Aberdeen Fund Managers Limited)
Bow Bells House
1 Bread Street
London
EC4M 9HH

DEPOSITARY: State Street Trustees Limited
525 Ferry Road
Crewe Toll
Edinburgh
EH5 2AW
Scotland

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

REPORT OF THE GENERAL PARTNER For the year ended 31 December 2019

The General Partner presents its annual report and audited financial statements for Aberdeen European Infrastructure Partners LP (the "Fund" or "Investment Entity") for the year ended 31 December 2019.

Limited partnership

The Fund was established on 4 January 2011 and is registered as a limited partnership in England under the Limited Partnerships Act 1907.

The Fund is a registered closed-ended investment fund domiciled and established as a limited partnership under the laws of England. The General Partner is responsible for ensuring that the Fund is always operated and managed under the terms of the Limited Partnership Agreement ("LPA"). The General Partner has delegated these responsibilities to the Investment Manager.

Principal activity

The Fund was established to invest in primary social and economic infrastructure projects in the European Union (excluding the UK) which offer investors the opportunity to earn attractive risk adjusted returns with a low correlation to economic cycles and other investment classes for its projected 25 year life.

The Fund invests in social and economic infrastructure projects (e.g. health, defence, education, social housing, government accommodation, custodial facilities, roads, bridges, rail and waste management) underpinned by long-term secure government contracts characterised by stable, predictable, availability-based cash flows.

The Fund's objective is to generate significant long-term investment yield. It aims to achieve this objective by investing in a portfolio of high-quality, predominantly operational, Private Finance Initiative ("PFI")/Public Private Partnerships ("PPP") assets. The portfolio is expected to generate long-term, inflation-linked cash flows, principally driven by low-risk, availability-based contracts with government agencies.

Financial risk management

The key risks and uncertainties faced by the Fund are managed within the framework established for the Investment Manager. Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Fund's business. These risks are discussed, and supplementary qualitative and quantitative information is provided in Note 8 to the financial statements. The Fund's liquidity risk management is delegated to the Investment Manager.

Results and review of business

The Fund's total comprehensive income for the year was EUR48,093,853 (2018: EUR27,894,026). Capital returned during the year amounted to EUR34,097,148 (2018: EUR27,689,300).

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the financial statements for each financial year which give a true and fair view, in accordance with applicable law, the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008, the LPA and International Financial Reporting Standards as adopted by the European Union ("IFRSs"), of the state of affairs of the Fund and of the profit or loss of the Fund for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Fund will continue in business.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

REPORT OF THE GENERAL PARTNER (CONTINUED)

For the year ended 31 December 2019

Statement of General Partner's responsibilities in respect of the financial statements (continued)

The General Partner is responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Fund and enable the General Partner to ensure that the financial statements comply with applicable law, IFRSs and the LPA. The General Partner is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner confirms that it has complied with the above requirements in preparing the financial statements.

Audit information

As at the date of approval of the Report of the General Partner, the General Partner confirms that, so far as the General Partner is aware, there is no relevant audit information of which the Fund's Independent Auditor is unaware; and the General Partner has taken all the steps that ought to have been taken as a General Partner to be aware of any relevant audit information and to establish that the Fund's Independent Auditor is aware of that information.

Subsequent events

Management has evaluated the impact of all subsequent events on the Company occurring between the end of the reporting period and 30 March 2020, the date the financial statements were available to be issued and has determined that there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.

Brexit

The UK left the European Union (EU) on 31 January 2020 ("Brexit"). Following its departure, the UK entered a transition period until 31 December 2020. During this period, the UK's trading relationship with the EU remains the same while a new free trade deal is negotiated. The extent of the impact on the Fund will depend in part on the nature of the arrangements that are put in place between the UK and the EU following the eventual Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. The General Partner in conjunction with the Investment Manager will continue to follow developments closely and assess the implications in relation to their contingency planning. The General Partner's priority is to ensure, whatever the circumstances of the UK's exit from the EU, the Investment Manager is suitably placed to support the Fund.

REPORT OF THE GENERAL PARTNER (CONTINUED)

For the year ended 31 December 2019

COVID-19

COVID-19 is a developing situation and as of 30 March 2020, the assessment of this situation will need continued attention and will evolve over time. In the view of the General Partner, consistent with many others in our industry, COVID-19 is considered to be a non-adjusting event after the reporting year and no adjustment is made in the financial statements as a result.

The rapid development and fluidity of the COVID-19 virus makes it difficult to predict the ultimate impact at this stage. However, the General Partner does not underestimate the seriousness of the issue and the inevitable effect it will have on the global economy and many businesses across the world.

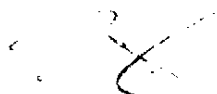
The General Partner believes that the impact of the virus outbreak will be material on the general economy as initially evidenced by some central banks having already started to act by reducing interest rates and taking other measures. Undoubtedly, this will have implications for the underlying investment portfolio of the Fund.

Going concern

The General Partner considers that the Fund has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the General Partner has taken into account all available information about the foreseeable future and consequently the going concern basis is appropriate in preparing the financial statements.

Independent auditor

PricewaterhouseCoopers CI LLP have indicated their willingness to continue in office and a resolution to re-appoint the Independent Auditor will be put forward at the forthcoming Annual General Meeting.



I H Y Wong
Director

General Partner
30 March 2020

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

REPORT OF THE INVESTMENT MANAGER For the year ended 31 December 2019

Alternative Investment Fund Managers Directive

The EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) ("AIFMD") entered into force on 21 July 2011 and member states, including the United Kingdom, were required to transpose this into national law by 22 July 2013. The AIFMD has been implemented in the United Kingdom by a combination of the HM Treasury Regulations and FCA handbook rules.

The Investment Manager is the designated Alternative Investment Fund Manager ("AIFM") and is subject to regulation under the AIFMD. The AIFM has regular reporting responsibilities in accordance with the AIFMD. The Fund is considered to be an Alternative Investment Fund ("AIF") managed by the AIFM. Whilst the Investment Manager's registration as an AIFM has no direct regulatory bearing on the AIF, the AIFM has, together with the General Partner, agreed to make available certain information in order to assist the AIFM in complying with its responsibilities.

Report on the Activities of the Financial Year

Information on the activities of the Fund in each quarter are discussed in the Fund's Limited Partner Reports which are issued separately to the Fund's Limited Partners on a quarterly basis. The Fund's performance is discussed on a quarterly basis at the respective investor advisory committees.

Material Changes and Periodic Risk Management

Material changes are discussed in the Fund's Limited Partner Reports which are issued separately to the Fund's Limited Partners on a quarterly basis.

In relation to Risk Management, please refer to Note 8 in the Notes to the Financial Statements for details regarding the Fund's exposure to certain Financial Risks which require disclosure under the AIFMD. Separately, Operational Risks are detailed in the Operational Risk Management Report which is available to relevant regulators and the Fund's Limited Partners upon request. Such a request should be made to the Investment Manager.

**Alternative Investment Fund Managers Directive (AIFMD)
Remuneration Disclosure AIF Annual Report and Accounts
Aberdeen European Infrastructure Partners LP**

Remuneration Policy

The Standard Life Aberdeen plc Remuneration Policy applies with effect from 1 January 2018. The purpose of the Standard Life Aberdeen plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of Standard Life Aberdeen. It has been approved by the Standard Life Aberdeen plc Remuneration Committee and is subject to the Remuneration Committee's annual review. The Policy applies to employees of the Standard Life Aberdeen group of companies ("SLA").

The AIFM, Aberdeen Standard Fund Managers Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is a wholly owned subsidiary of Standard Life Aberdeen plc.

The Remuneration Committee of Standard Life Aberdeen plc adopted an AIFM Remuneration Policy to ensure that the requirements of the Alternative Investment Fund Managers Directive (AIFMD) are fully adhered to by the group. This policy applies to Aberdeen Standard Fund Managers Limited and the Alternative Investment Funds (AIFs) it manages. This policy is available on request.

Remuneration Principles

SLA applies Group wide principles for remuneration policies, procedures and practices ensuring that remuneration design and the basis for awards will be clear, transparent and fair, in line with business strategy, objectives, culture, values and long term interests of SLA. Remuneration policies, procedures and practices should be consistent with and promote good conduct which includes sound and effective risk management and not encourage risk taking that exceeds the level of tolerated risk of SLA. Total variable remuneration will be funded through pre-agreed distribution metrics. Where SLA's financial performance is subdued or negative, total variable remuneration should generally be contracted, taking into account both current remuneration and reductions in pay-outs of amounts previously granted and having regard for SLA's long term economic viability.

In addition to applying the SLA wide principles above, Aberdeen Standard Investments ("ASI") applies a number of additional principles including the following, when determining remuneration for employees:

- a) Remuneration should be competitive and reflect both financial, non-financial and personal performance;
- b) Our remuneration design will align the interests of employees, shareholders and importantly our clients/customers;
- c) Our remuneration structure will reward delivery of results over appropriate time horizons and will include deferred variable compensation at an appropriate level for the employee's role;
- d) We will provide an appropriate level of fixed remuneration to balance risk and reward.

Governance and Regulatory Compliance

The Remuneration Committee is made up of independent non-executive directors and makes recommendations to the Board of Standard Life Aberdeen plc (the "Board") to assist it with its remuneration related duties. The Chief People Officer of Standard Life Aberdeen is responsible for ensuring the implementation of the Policy in consultation with the Remuneration Committee as well as other members of the Executive Committee ("Executive Body") (as defined by the Board), if appropriate.

Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of Group, Divisional and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account. Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the Group's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

Conflicts of interest

The Conflicts of Interest Policy is designed to avoid conflicts of interest between SLA and its clients. This Policy prohibits any employee from being involved in decisions on their own remuneration. Furthermore, all employees are required to adhere to SLA's Global Code of Conduct, which encompasses conflicts of interest.

The Policy should, at all times, adhere to local legislation, regulations or other provisions. In circumstances or in jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions, then the latter will prevail.

Remuneration Framework

Employee remuneration is composed principally of fixed and variable elements of reward as follows:

- a) Fixed reward (fixed remuneration: salary (and cash allowances, if appropriate); and Benefits (including pension).
- b) Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements) and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

- a) Fixed and variable components of total remuneration are appropriately balanced and
- b) The fixed component is a sufficiently high proportion of total remuneration to allow Standard Life Aberdeen to operate a fully flexible policy on variable remuneration components, including paying no variable remuneration component.

<i>Fixed Remuneration</i>	Base salary provides a core reward for undertaking the role, where appropriate, and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration.
<i>Benefits</i>	Benefits are made up of: core benefits, which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees and which may require contribution through salary sacrifice or other arrangements. Extra voluntary benefits are designed to support the health and wellbeing of employees through enabling individual selection based on lifestyle choices. Standard Life Aberdeen will ensure that the core and voluntary employee benefits policies are in line with relevant market practice, its views on managing its business risk objectives, culture and values and long-term interests and local requirements.
<i>Pension</i>	Standard Life Aberdeen's pension policies (which consist of defined contribution plans and legacy defined benefit plans) are in line with legislative requirements, governance structures and market practice, and reflect Standard Life Aberdeen's long-term views on risk and financial volatility, its business objectives, culture and values and long-term interests and local requirements. In certain circumstances, SLA may offer a cash allowance in lieu of any pension arrangement.
<i>Annual Performance Bonus Awards</i>	Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year. Eligibility criteria for an annual bonus are set out in the rules of the relevant bonus plan and/or contract of employment, as appropriate. The bonus plan in place is designed to reward performance in line with the business strategy, objectives, culture and values, long term interests and risk appetite of SLA. All Executive Directors are awarded bonuses under a SLA bonus plan as detailed in the Directors' Remuneration Report.

Other variable Pay Plans	Selected employees may participate in other variable pay plans, for example, performance fee share arrangements, where it is appropriate for their role or business unit. These plans operate under the overarching remuneration principles that apply across the group and, where appropriate, are also subject to specific principles governing incentives and are compliant with the requirements of any applicable regulatory standards.
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Clawback/Malus

A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Guaranteed Variable Remuneration

Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of service.

AIFMD Identified Staff

Staff considered AIFMD Identified Staff are those categories of staff whose professional activities have a material impact on the risk profiles of the AIFM or the AIFs that the AIFM manages.

AIFMD identified staff will include; Senior Management; Risk takers, Staff engaged in control functions; and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, and whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

Control Functions

SLA adheres to the principles and guidelines of regulations that apply to SLA in defining control functions. control functions include, but are not necessarily limited to, Risk, Compliance, Internal Audit and Actuarial functions or roles.

SLA will ensure that, as appropriate, senior employees engaged in a control function:

- a) Are independent from the Business Units they oversee;
- b) Have appropriate authority, and
- c) Their remuneration is directly overseen by the Remuneration Committee.

This is achieved by the main control functions being outside the business, and a material proportion of their annual incentives being subject to a scorecard based on the performance of the control function. Performance against the scorecard is reviewed by the relevant independent governing committee (either Risk & Capital Committee, or Audit Committee). SLA's People Function reviews the remuneration of employees in control functions and benchmarks with the external market to ensure that it is market competitive and adequately reflects employees' skills and experience.

Personal Hedging

AIFMD Identified Staff are not permitted to undermine the risk alignment effects of the AIFMD Remuneration Code. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Employee Remuneration Disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its entire staff; and
- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its 'Identified Staff'.

The 'Identified Staff' of Aberdeen Standard Fund Managers Limited are those employees who could have a material impact on the risk profile of Aberdeen Standard Fund Managers Limited or the AIFs it manages, including Aberdeen European Infrastructure Partners LP.

This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from **1 January 2019 to 31 December 2019** inclusive.

Aberdeen European Infrastructure Partners LP	Headcount	Total Remuneration €'000	AIF proportion €'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	134	16,868	398
of which			
Fixed remuneration		11,690	276
Variable remuneration		5,178	122
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	164	7,709	182
of which			
Senior Management ³	16	507	12
Other 'Identified Staff'	148	7,202	170

- 1 As there are a number of individuals indirectly and directly employed by Aberdeen Standard Fund Managers Limited this figure represents an apportioned amount of SLA's total remuneration fixed and variable pay, apportioned to the relevant AIF on an AUM basis, plus any carried interest paid by the AIF. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.
- 2 The Identified Staff disclosure represents total compensation of those staff of the AIFM who are fully or partly involved in the activities of the AIFM, apportioned to the estimated time relevant to the AIFM, based on their time in role during the reporting period and the AIFM's proportion of SLA's total AUM. Across the 'Identified Staff', the average percentage of AUM allocation per individual based on work undertaken for Aberdeen Standard Fund Managers Limited as an AIFM was 13.25%.
- 3 Senior management are defined in this table as AIFM Directors and members of the Standard Life Aberdeen plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.
- 4 This figure represents an apportioned amount of the total remuneration of the 'Identified staff' attributable to the AIF allocated on an AUM basis.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

STRATEGIC REPORT

For the year ended 31 December 2019

The General Partner presents its strategic report on the Fund for the year ended 31 December 2019.

Results and review of business

The total comprehensive income for the year is set out in the Statement of Comprehensive Income on page 14. The General Partner considers the performance of the Fund during the year and its financial position at the end of the year, to be in line with the long term expected performance of the project, and its prospects for the future to be satisfactory.

Principal activity

The principal activity is investment holding. There has been no change in that activity during the year.

The Fund's objective is to generate significant long-term investment yield. It aims to achieve this objective from its investment in a portfolio of PFI/PPP assets held via its Subsidiary (please see Note 5 for further information), Cooperatief Aberdeen Infrastructure B.A. ("Coop AI B.A."). The portfolio is expected to generate long-term, inflation-linked cash flows, principally driven by low-risk, availability-based contracts with government agencies.

The General Partner has responsibility for ensuring the Fund is always operated and managed under the terms of the LPA. The General Partner has delegated these responsibilities to the Investment Manager.

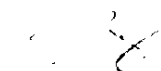
Principal risks and uncertainties

The key risks and uncertainties faced by the Fund are managed within the framework established for the Investment Manager. Exposures to market risk, credit risk and liquidity risk arise in the normal course of the Fund's business. These risks are discussed, and supplementary qualitative and quantitative information are provided in Note 8 to the financial statements. The Fund's liquidity risk is managed by the Investment Manager.

Key performance indicators

The Fund is a feeder vehicle in which Stichting Depositary APG Infrastructure Pool 2011 acting in its capacity as depositary of APG Infrastructure Pool 2011 and Aberdeen Asset Management Plc, to ultimately invest in a portfolio of PFI/PPP assets. Given the straightforward nature of the business, the Directors of the General Partner are of the opinion that analysis using KPI's is not necessary for the understanding of the development, performance, or position of the business.

By order of the Board,



I H Y Wong
Director

General Partner
30 March 2020

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

Report on the audit of the financial statements

Opinion

In our opinion, Aberdeen European Infrastructure Partners LP's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2019; the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Net Assets Attributable to the Limited Partners for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the general partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the general partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

TO THE PARTNERS OF ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP (CONTINUED)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The general partner is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the General Partner, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the General Partner

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the General Partner for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the General Partner.

Responsibilities for the financial statements and the audit

Responsibilities of the general partner for the financial statements

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on pages 3 and 4, the general partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The general partner is also 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.

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.

**INDEPENDENT AUDITOR'S REPORT
TO THE PARTNERS OF ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP
(CONTINUED)**

Responsibilities for the financial statements and the audit (continued)

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

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

Use of this report

This report, including the opinion, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

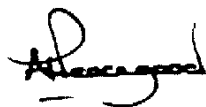
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Adrian Peacegood BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Statutory Auditors
Guernsey, Channel Islands
30 March 2020

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP**STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2019**

	<i>Notes</i>	2019 EUR	2018 EUR
Income			
Interest income	2.9, 3	5,113,901	5,320,129
Net changes in fair value of financial assets at fair value through profit or loss	4	43,197,774	23,910,610
Total income		48,311,675	29,230,739
Expenses			
Administration fees		46,835	55,888
Audit fees		54,784	57,467
Depository fees		55,305	54,948
Legal and professional fees		52,667	109,418
General Partner's Share	2.13, 11	-	1,055,169
Interest expenses		-	4
Other operating expenses		1,765	1,827
Net foreign exchange loss		6,466	1,992
Total expenses		217,822	1,336,713
Profit on ordinary activities		48,093,853	27,894,026
Total comprehensive income for the year		48,093,853	27,894,026

The notes on pages 19 to 39 form part of these financial statements.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP**STATEMENT OF FINANCIAL POSITION****As at 31 December 2019**

	<i>Notes</i>	2019 EUR	2018 EUR
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	4	304,834,536	295,202,105
Total non-current assets		304,834,536	295,202,105
Current assets			
Receivables and prepayments	6	5,992,943	3,376,949
Cash and cash equivalents		47,739	22,847
Total current assets		6,040,682	3,399,796
Total assets attributable to the Limited Partners		310,875,218	298,601,901
Liabilities			
Non-current liabilities			
Deferred income	2.8	-	507,969
Current liabilities			
Deferred income	2.8	879,042	2,100,000
Payables and accruals	7	151,763	146,224
Total current liabilities		1,030,805	2,246,224
Total liabilities		1,030,805	2,754,193
Net assets attributable to the Limited Partners		309,844,413	295,847,708
Limited Partners' interest represented by:			
Partners' capital		99,034,552	133,131,700
Partners' current accounts		210,809,861	162,716,008
		309,844,413	295,847,708

The financial statements were authorised for issue by the Board of Directors of the General Partner of the Fund and signed on its behalf by:

Ivan Wong
Director
30 March 2020

The notes on pages 19 to 39 form part of these financial statements.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE LIMITED PARTNERS For the year ended 31 December 2019

	Partners' Capital	Partners' current accounts	Total
	EUR	EUR	EUR
As at 1 January 2018	160,821,000	134,821,982	295,642,982
Return of capital	(27,689,300)	-	(27,689,300)
Total comprehensive income for the year	-	27,894,026	27,894,026
(Decrease) / increase in net assets attributable to the Limited Partners	<u>(27,689,300)</u>	<u>27,894,026</u>	<u>204,776</u>
As at 31 December 2018	<u>133,131,700</u>	<u>162,716,008</u>	<u>295,847,708</u>
Return of capital	(34,097,148)	-	(34,097,148)
Total comprehensive income for the year	-	48,093,853	48,093,853
(Decrease) / increase in net assets attributable to the Limited Partners	<u>(34,097,148)</u>	<u>48,093,853</u>	<u>13,996,705</u>
As at 31 December 2019	<u><u>99,034,552</u></u>	<u><u>210,809,861</u></u>	<u><u>309,844,413</u></u>

The notes on pages 19 to 39 form part of these financial statements.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP**STATEMENT OF CASH FLOWS****For the year ended 31 December 2019**

	<i>Notes</i>	2019 EUR	2018 EUR
Cash flows from operating activities			
Total comprehensive income for the year		48,093,853	27,894,026
Net changes in fair value of financial assets at fair value through profit or loss	4	(43,197,774)	(23,910,610)
Disposals of financial assets held at fair value through profit or loss	4	33,565,343	20,962,450
(Increase) / decrease in receivables and prepayments		(2,615,994)	2,010,209
(Decrease) / increase in deferred income		(1,728,927)	1,628,007
Increase / (Decrease) in payables and accruals		5,539	(937,547)
Net cash flows generated from operating activities		34,122,040	27,646,535
Cash flows from financing activities			
Return of capital	2.7	(34,097,148)	(27,689,300)
Net cash flow used in financing activities		(34,097,148)	(27,689,300)
Net increase in cash and cash equivalents		24,892	(42,765)
Cash and cash equivalents at beginning of the year		22,847	65,612
Cash and cash equivalents at end of the year		47,739	22,847

The notes on pages 19 to 39 form part of these financial statements.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. GENERAL INFORMATION

The Fund is established as a limited partnership under the laws of England. The address of its registered office is Bow Bells House, 1 Bread Street, London, EC4M 9HH.

The principal activity of the Fund is to invest in primary social and economic infrastructure projects in the European Union (excluding the UK) which offer investors the opportunity to earn attractive risk adjusted returns with a low correlation to economic cycles and other investment classes for its projected 25 year life.

The Fund's investment activities are managed by the General Partner who has delegated these responsibilities to the Investment Manager, with the administration delegated to the Administrator.

The Fund's capital is represented by the net assets attributable to the Limited Partners.

Coop AI B.A. is the Subsidiary which the Fund has invested in. Aberdeen Infrastructure (HoldCo) B.V. ("AI (HoldCo) B.V.") is the subsidiary held by Coop AI B.A. (collectively the "Subsidiaries").

These financial statements were authorised for issue by the Board of Directors of the General Partner of the Fund on 30 March 2020.

2. 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 throughout the year, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with applicable law, i.e. the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008, the LPA and International Financial Reporting Standards as adopted by the European Union ("IFRS"). The General Partner has considered the presentational requirements of the UK Companies Act 2006 and amended the format so that the financial statements present each line item in a manner that reflects its nature. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The financial statements have been prepared on a going concern basis which assumes that the Fund will continue in operational existence for the foreseeable future. The General Partner is satisfied that it operates in such a way to ensure the Fund will continue to be a going concern, given its expected future cash flows from investing activities and its ability to call undrawn commitments (Note 13).

The Fund meets the definition of an Investment Entity as defined by IFRS 10 and is required to account for the investments in Subsidiaries at fair value through profit and loss.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires the General Partner to exercise judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 9.

(a) Standards and amendments to existing standards effective 1 January 2019

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 January 2019 that would be expected to have a material impact on the Fund.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

(b) New standards, amendments and interpretations effective after 1 January 2019 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Fund.

2.2 Investment Entity

The Fund has multiple unrelated investors and holds multiple investments. Ownership interests in the Fund are in the form of limited partnership interests which are classified as liabilities under the provisions of IAS 32. The General Partner has determined that the Fund meets the definition of an Investment Entity per IFRS 10 as the following conditions exist:

- a) The Fund has obtained funds for the purpose of providing investors with professional investment management services;
- b) The Fund's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income; and
- c) The investments are measured and evaluated on a fair value basis.

2.2.1 Subsidiary

Where the Fund is deemed to control an underlying portfolio company either directly or indirectly through a holding company subsidiary and whether 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 portfolio company and its results are not consolidated, instead they are reflected at fair value through the profit or loss. As at 31 December 2019, the Fund is directly invested in one such portfolio company.

The Fund does not have any other direct subsidiaries other than those determined to be Investment Entities. Investment Entity subsidiary investments are measured at fair value through profit or loss and are not consolidated in accordance with IFRS 10.

The Fund operates as an investment structure whereby the Fund (via its subsidiaries) invests and commits to invest into various portfolio companies through the Subsidiaries (described above). As at 31 December 2019, there were no outstanding capital commitment obligations with respect to specific portfolio company acquisitions and no amounts due to the portfolio companies for unsettled purchases.

The Fund primarily invests into the portfolio companies by purchasing, indirectly through its Investment Entity subsidiaries, the ordinary equity and subordinated loan notes of these private finance initiative companies. The portfolio companies pay cash interest or accrue interest on the debt held by the Investment Entity subsidiaries, and repay debt based on the terms of the respective agreements. Cash dividends may be paid based on the portfolio company's operating results and are at the discretion of the Board of Directors of the respective portfolio companies which are then paid up to the Fund directly or through the relevant holding company. There are no amounts due or accrued for preferred dividend or in-kind returns based on any of the shareholder agreements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.2.1 Subsidiary (continued)**

Movements in the fair value of the Fund's underlying portfolio companies held via the Investment Entity subsidiaries and the existence of unfunded commitments may expose the Fund to potential gains or losses.

2.3 Foreign currency translation**(a) Functional and presentation currency**

The operating and investing activities of the Fund are denominated in Euro. As such the performance of the Fund is measured and reported in Euro. The General Partner considers Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Fund. The financial statements are presented in Euro, the Fund's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency assets and liabilities, other than financial assets and liabilities at fair value through profit or loss are translated into the functional currency using the exchange rate prevailing at the Statement of Financial Position date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss".

2.4 Financial assets and financial liabilities at fair value through profit or loss**(a) Classification**

The Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss at inception:

(i) Financial assets

The General Partner classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information, and it uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, but these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the objective of the Fund's business model. Consequently, all investments are measured at fair value through profit or loss.

(ii) Financial liabilities

The Fund's policy requires the Investment Adviser and the General Partner to evaluate the information about these financial assets and liabilities on a fair value basis (Note 8.3), together with other related financial information. Assets and liabilities in this category are classified as current assets and current liabilities if they are expected to be realised within 12 months of the balance sheet date. Those not expected to be realised within 12 months of the balance sheet date will be classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets and financial liabilities at fair value through profit or loss (continued)

(b) Recognition, derecognition and measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net changes in fair value of financial assets and liabilities at fair value through profit or loss' in the period in which they arise.

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Fund's valuation technique for determining the fair value of its investments in Subsidiaries and Fund interest is the net present value of estimated future cash flows based on a discounted cash flow model.

The discounted cash flow model considers the total equity and debt investments made into the portfolio companies indirectly through the Fund's Subsidiaries. The Fund's policy is to manage and value the equity and shareholder debt investments in infrastructure assets as a single investment measured at fair value, because the investment was made at the same time and cannot be realised separately. The General Partner considers that equity and debt share the same characteristics and risks and they are therefore treated as a single unit of account for valuation purposes and a single class for disclosure purposes.

The discount rate used by the Fund is based on the risk-free rate of the economic environment in which portfolio companies operate and is adjusted with other factors such as liquidity, credit and market risk factors. The cash flows used in the discounted cash flow model are based on projected cash flows or earnings of the portfolio companies.

2.5 Receivables and prepayments

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Prepayments are amounts paid in advance and amortised over the relevant period.

Such assets are short term in nature and the carrying value of these assets is considered to be approximate to their fair value. All assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in levels of impairment is recognised directly in the statement of comprehensive income. An impairment loss is reversed at subsequent financial reporting dates to the extent that the asset's carrying amount does not exceed its carrying value, had no impairment been

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2019****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.6 Cash and cash equivalents**

Cash and cash equivalents consist of cash balances that are freely available and other short-term highly liquid investments with an original maturity of three months or less, and bank overdraft.

2.7 Distributions payable to the Limited Partners

Proposed distributions to the Limited Partners are recognised in the Statement of Comprehensive Income when they are appropriately authorised and no longer at the discretion of the Fund. This typically occurs when a proposed distribution is ratified at a General Partner's meeting. Any capital returned is recognised in the Statement of Changes in Net Assets Attributable to the Limited Partners. Subject to Clause 10 of the LPA, all income and capital proceeds of the Fund shall be distributed between the Partners in order of priority (after payment of expenses and liabilities of the Fund) in accordance with Clause 14.1 of the LPA.

2.8 Payables and accruals and deferred income

Payables and accruals are initially recognised at fair value and subsequently stated at amortised cost using the effective interest rate method. Payables and accruals are derecognised when the obligation under the liability is discharged or cancelled or expires. Deferred income relating to General Partner's Share is credited to the Statement of Comprehensive Income as the services are provided by the General Partner.

2.9 Interest income and dividend income

Interest income from shareholder debt that is measured at fair value through profit or loss is recognised as it accrues by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's carrying value or principal amount. The remaining changes in the fair value movement of the loans are recognised separately within 'Net changes in fair value of financial assets and liabilities at fair value through profit or loss' in the Statement of Comprehensive Income. It also includes interest income from cash and cash equivalents.

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

2.10 Expense

Expenses are recognised on an accruals basis.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Taxation

The Fund is domiciled in England. Under the current laws of England, there is no income, estate, corporation, capital gains or other taxes payable by the Fund. Any other tax liability arising on the activities of the Fund will be borne by the individual partners.

2.12 Net assets attributable to the Limited Partners

Ownership interests in the Fund are in the form of an interest in the net assets attributable to the Limited Partners. Net assets attributable to the Limited Partners are classified as a financial liability, due to a finite life and contractual payment provisions to each of the Limited Partners within the LPA.

Net assets attributable to Limited Partners' capital are carried at amortised cost.

2.13 General Partner's Share

Under Clause 9 of the LPA, the General Partner shall be entitled to receive from the Fund an allocation as a first charge on net income and capital gains by way of a General Partner's Share ("GPS").

The GPS payables shall be reduced by deducting transaction fees, investment related fees, directors' fee etc., earned by the General Partner, Investment Manager or associates of either of them.

Further details on GPS is disclosed in Note 11.

2.14 Allocation of profits and losses

- a) Subject to clause 9.5(c) of the LPA, every Limited Partner has an interest in every asset of the Fund and, accordingly, all Income, capital gains and capital losses shall (after the allocation of the General Partner's Share) be allocated to the Partners so that the balances on their accounts shall reflect their respective entitlements to receive distributions in accordance with the provisions of Clause 10.1.
- b) If a particular allocation of capital gain and/or income is assumed in computing the Tax Credits available to the Partners for the purpose of calculating when each Partner has received sums equal to the aggregate of amounts under Clause 10.1 then, notwithstanding any other provision of this Clause 9.5, such capital gain and/or Income shall be allocated in accordance with that assumption.
- c) The Investment Manager may in its discretion, allocate items of income, capital gains, capital losses and expenses to particular investors up to the maximum amount available, with corresponding adjustments to the allocation of the other items.

Net income, net losses, capital gains and losses allocated to each Limited Partner shall be credited or debited to the Limited Partner's income or capital account. Accordingly, the General Partner has determined that all net increases or decreases on assets and liabilities categorised as fair value through profit or loss, will be booked through the capital account.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

2.15 Undrawn committed capital

Unfunded committed capital from the Limited Partners is not presented in the Statement of Financial Position, since unfunded committed capital represents undrawn financial instrument, where an effective interest rate in accordance with IFRS 9 Financial instrument would not be applicable.

2.16 Carried interest

In accordance with the LPA, if the performance conditions pertaining to the Carried Interest Entitlement as defined in the LPA are met, the Carried Interest Partner will be entitled to receive Carried Interest as calculated in accordance with Schedule 4 of the LPA.

A Carried Interest contingent liability has been disclosed in Note 15 due to the uncertain timing and realisable value of the Carried Interest distribution.

3. INTEREST INCOME

	2019 EUR	2018 EUR
From financial assets at fair value through profit or loss	5,113,901	5,320,129

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net changes in financial assets at fair value through profit or loss

	2019 EUR	2018 EUR
As at 1 January	295,202,105	292,253,945
Disposals	(33,565,343)	(20,962,450)
Net changes in fair value of financial assets at fair value through profit or loss	43,197,774	23,910,610
As at 31 December	304,834,536	295,202,105
Change in unrealised gain for Level 3 assets held as at year end and included in net changes in fair value of financial assets at fair value through profit or loss	43,197,774	23,910,610

The net unrealised gains of EUR43,197,774 is made up of gains of EUR43,197,774 and losses of EURnil.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair through profit or loss	2019		2018	
	Fair value EUR	% of net assets	Fair value EUR	% of net assets
Equity securities	250,734,536	80.92%	237,102,105	80.14
Debt securities	54,100,000	17.46%	58,100,000	19.64
Investments in Subsidiaries	304,834,536	98.38%	295,202,105	99.78

5. SUBSIDIARIES

The Fund operates as an integrated structure whereby the Fund invests solely into the Subsidiaries. Total investments made by the Fund into the Subsidiary during the year ended 31 December 2019 were EURnil (2018: EURnil). Total investments made by the Fund into the indirect subsidiary amounted to EURnil (2018: EURnil). As at 31 December 2019 and 31 December 2018 there were no capital commitment obligations and no amounts due to the Subsidiaries for unsettled purchases.

The Subsidiaries of the Fund are as follows:

Subsidiary	Address of the registered office	Principal activity	Date of incorporation	Country of incorporation	Holding %
Coop AI B.A.	Strawinskylaan 303, WTC A-	Investment holding	25 June 2012	Netherlands	100
<i>Subsidiary held through Coop AI B.A.</i>					
AI (HoldCo) B.V.	Strawinskylaan 303, WTC A-	Investment holding	19 July 2011	Netherlands	100

6. RECEIVABLES AND PREPAYMENTS

	2019 EUR	2018 EUR
Intercompany loan - Aberdeen Infrastructure (Holdco) B.V.	5,113,901	768,980
Prepaid General Partner's Share	879,042	2,607,969
	<u>5,992,943</u>	<u>3,376,949</u>

The intercompany loans with Aberdeen Infrastructure (Holdco) B.V. which were short-term loans to cover expenses of the Subsidiary are repayable on demand and do not incur interest.

As at 31 December 2019 and 31 December 2018, the carrying amounts of receivables and prepayments approximate their fair value.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

7. PAYABLES AND ACCRUALS

	2019 EUR	2018 EUR
Administration fees	11,624	21,948
Audit fees	48,993	36,252
Depository fees	41,582	41,232
Legal and professional fees	49,564	46,792
	151,763	146,224

As at 31 December 2019 and 31 December 2018, the carrying amounts of payables and accruals approximate their fair value.

8. FINANCIAL RISK MANAGEMENT

The objective of the Fund's financial risk management is to manage and control the risk exposures of its investment portfolio. The General Partner has overall responsibility for overseeing the management of financial risks. The review and management of financial risks are performed by the Investment Manager, which has documented procedures designed to identify, monitor and manage the financial risks to which the Fund is exposed. This note presents information about the Fund's exposure to financial risks, its objectives, policies and processes for managing risk and the Fund's management of its financial resources.

The Fund, through its Subsidiaries owns a portfolio of investments in the subordinated loan notes (subordinate to senior debt) and ordinary equity of PFI/PPP companies. These companies are structured at the outset to minimise financial risks of acquiring and holding the investment. The Fund primarily focuses its risk management on the direct financial risks of acquiring and holding the portfolios, but continues to monitor the indirect financial risks of the underlying projects through representation, where appropriate, on the Boards of the project companies and the receipt of regular financial and operational performance reports.

8.1 Financial risk factors

8.1.1 Market risk

Market risk is defined as the potential loss in value or earnings of the Fund arising from changes in external market factors such as:

- interest rates (interest rate risk);
- foreign exchange rates (currency risk); and
- equity markets (other price risk).

The investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Fund has an Investment Manager who provides the General Partner with investment recommendations. The Investment Manager's recommendations are reviewed by the General Partner before the investment decisions are implemented.

The performance of the investments held by the Fund are monitored by the Investment Manager on a monthly basis and reviewed by the General Partner on a quarterly basis.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

8. FINANCIAL RISK MANAGEMENT (CONTINUED)

8.1 Financial risk factors (continued)

8.1.1 Market rate risk (continued)

(a) Price risk

Returns from the Fund's investments are affected by the price at which they are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter alia, movements in interest rates, market prices and the competition for such assets.

Price risk arises from the Fund's exposure to investments in Subsidiaries. The Fund undertakes a full assessment of each entity's potential for value creation prior to entering into a new transaction. Thereafter, the performance of each investment is continually monitored and action taken as deemed appropriate in the circumstances. Further information about the Fund's sensitivity to changes in the fair value of its investments in Subsidiaries is set out below.

At the reporting date the carrying value of the investments in Subsidiaries amounted to EUR304,834,536 (2018: EUR295,202,105). For investments carried at fair value through profit or loss, changes in fair value would have a direct impact on total comprehensive income for the year. The table below sets out the sensitivity of total comprehensive income for the year to a 10% change in fair value of its investments in Subsidiaries as at the Statement of Financial Position date.

Effect of investments in Subsidiaries fair values on total comprehensive income for the year:

	2019 EUR	2018 EUR
Effective of 10% increase in fair value of the investments in Subsidiaries	30,483,454	29,520,211
Effective of 10% decrease in fair value of the investments in Subsidiaries	(30,483,454)	(29,520,211)

(b) Currency risk

The Subsidiary in which the Fund invests conducts its business and pays interest, dividends and principal in Euro. The Fund monitors its foreign exchange exposures using its near-term and long-term cash flow forecasts. The Fund's policy is not to use foreign exchange hedging. The Fund's liabilities denominated in Pound Sterling at their carrying amount are summarised below:

Liabilities GBP	2019 EUR	2018 EUR
Monetary liabilities	110,181	104,992

The table below summarises the sensitivity of the Fund's monetary liabilities to changes in foreign exchange movements at 31 December 2019 and 2018. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by 5% to Euro, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2019****8. FINANCIAL RISK MANAGEMENT (CONTINUED)****8.1 Financial risk factors (continued)****8.1.1 Market rate risk (continued)****(b) Currency risk (continued)**

Liabilities	2019	2018
GBP	EUR	EUR
Monetary liabilities	5,509	5,250

As at 31 December 2019, the foreign currency exchange rate applied was EUR/GBP 0.8474 (2018: EUR/GBP 0.8976).

(c) Interest rate risk

The Fund has an indirect exposure to changes in interest rates through its investment in project companies, which are in part financed by senior debt. Senior debt financing of project companies is generally either through floating rate debt or fixed interest rate bonds. Where senior debt is financed through floating rate debt, the projects typically have concession length hedging arrangements in place, which are monitored by the project companies' managers, finance parties and boards of directors.

The Fund, through its Subsidiaries invests in subordinated loan notes (subordinate to senior debt) of project companies, usually with fixed and variable interest rate coupons. Where floating rate debt is owned, the primary risk is that the Fund's cash flows will be subject to variation depending upon changes to base interest rates. The portfolio's cash flows are continually monitored and re-forecast both over the near future and the long-term (over the whole period of projects' concessions) to analyse the cash flow returns from investments.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The Fund holds debt securities that expose the Fund to fair value interest rate risk. The Fund's policy requires the Investment Manager to manage this risk by reviewing fluctuations of the interest rate sensitivity gap of financial assets and liabilities on a quarterly basis and the Investment Manager of the Fund to review on a quarterly basis. Interest rates on the investments in Subsidiaries are fixed.

(d) Inflation risk

The Fund's project companies are generally structured so that contractual income and costs are either wholly or partially linked to specific inflation, where possible, to minimise the risks of a mismatch between income and costs due to movements in inflation indexes. The Fund's overall cash flows are estimated to partially vary with inflation. The effect of these inflation changes do not always immediately flow through to the Fund's cash flows as there is a time lag due to financial models only being updated on a 6 monthly basis.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

8. FINANCIAL RISK MANAGEMENT (CONTINUED)

8.1 Financial risk factors (continued)

8.1.2 Credit risk

Credit risk is the risk that a counterparty of the Fund will be unable or unwilling to meet a commitment that it has entered into with the Fund. The Fund has invested in the indirect subsidiary, AI (HoldCo) B.V.. The Fund's near term cash flow forecasts are used to monitor the timing of cash receipts from project counterparties. Underlying the cash flow forecasts are project companies' cash flow models, which are regularly updated by project companies for the purposes of demonstrating the projects' ability to pay interest and dividends based on a set of detailed assumptions. Many of the Fund's investments and their subsidiary entities generally receive revenue from government departments, public sector or local authority clients. Therefore a significant portion of the Fund's revenue arises from counterparties of good financial standing.

The Fund is also reliant on the projects' subcontractors continuing to perform their service delivery obligations such that revenues to projects are not disrupted. The Fund has a subcontractor counterparty monitoring procedure in place. The credit standing of subcontractors is reviewed and the risk of default estimated for each significant counterparty position. Monitoring is ongoing and period end positions are reported to the Investment Manager on a quarterly basis.

No classes within loans and receivables or trade and other receivables contain impaired assets. The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position and as set out below:

	2019 EUR	2018 EUR
Investments in Subsidiaries - debt securities	54,100,000	58,100,000
Receivables	5,992,943	3,376,949
Cash and cash equivalents	47,739	22,847
Total	<u>60,140,682</u>	<u>61,499,796</u>

The main concentration of credit risk to which the Fund is exposed arises from the Fund's investments in the debt securities component of the Fund's financial assets carried at fair value. The maximum exposure to credit risk as a result of counterparty default equates to the current carrying value of these financial assets. However, this risk is spread over 6 debt securities of different investments.

Cash transactions are limited to Lloyds Bank which is a financial institution with a long term debt credit rating of A+ (2018: A+) and Barclays Bank with a long term debt credit rating of A (2018: A) as rated by the rating agency, Standard & Poor's. All debt investments represent private debt investments executed in accordance with the investment objective of the Fund.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's credit risk exposure on a monthly basis, and the General Partner reviews it on a quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2019****8. FINANCIAL RISK MANAGEMENT (CONTINUED)****8.1 Financial risk factors (continued)****8.1.3 Liquidity risk**

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meet its liabilities when due. The Fund's activity is funded by long-term funding, as it is closed ended and hence investors do not have the option to redeem their investment in the Fund. The Fund is exposed to limited liquidity risk. The Fund's liquidity risk management is delegated to the Investment Manager.

The Fund's investments are generally in private companies in which there is no listed market and, therefore, such investment would take time to realise and there is no assurance that the valuations placed on the investments would be achieved from any such sale process.

The Fund's investment companies have borrowings which rank senior to the Fund's own investments in these project companies. The senior debt is structured such that, under normal operating conditions, it will be repaid within the expected life of the projects. Debt raised by the investment companies from third parties is without recourse to the Fund.

The Fund manages its liquidity risk by a combination of (i) contractual uncalled committed capital, which can be called with 14 days notice and used to fund investments and pay management fees and (ii) maintaining cash levels to fund short term operating expenses. As at 31 December 2019 the amount for undrawn commitments was EUR7,287,791 (2018: EUR7,287,791), including a recallable return of capital EUR2,024,193 (2018: EUR2,024,193).

The Fund operates as an investment structure whereby the Fund invests and commits to invest into various portfolio companies indirectly through its subsidiaries. As at 31 December 2019 and 2018, there were no outstanding capital commitment obligations with respect to specific portfolio company acquisitions and no amounts due to the portfolio companies for unsettled purchases.

The following table illustrates the expected liquidity of assets held and undrawn capital commitments:

As at 31 December 2019	Undrawn capital commitments EUR	Less than 1 month EUR	1-12 months EUR	More than 12 months EUR
Total assets and undrawn capital commitments	7,287,791	47,739	5,992,943	304,834,536
As at 31 December 2018				
Total assets and undrawn capital commitments	7,287,791	22,847	3,376,949	295,202,105

The amounts in the table are the contractual undiscounted cash flows.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

8. FINANCIAL RISK MANAGEMENT (CONTINUED)

8.1 Financial risk factors (continued)

8.1.3 Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. At present the Fund has no immediate plans to exit any of its positions in its portfolio of investments. When the General Partner is of the view that the disposal of certain investments is relatively certain; the associated net assets attributable to the partners, in so far as they may be distributed, will be disclosed in the appropriate liquidity category as noted below.

	On demand EUR	Less than 1 year EUR	Between 1 and 3 years EUR	More than 3 years EUR	Total EUR
As at 31 December 2019					
Liabilities					
Payables and	-	151,763	-	-	151,763
Net assets					
attributable to the	-	-	-	309,844,413	309,844,413
	-	151,763	-	309,844,413	309,996,176
As at 31 December 2018					
Liabilities					
Payables and	-	146,224	-	-	146,224
Net assets					
attributable to the	-	-	-	295,847,708	295,847,708
	-	146,224	-	295,847,708	295,993,932

8.2 Capital risk management

The capital structure of the Fund consists of partners' capital and partners' current accounts.

The General Partner's policy when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the Limited Partners and to sustain the future development of the business. In order to maintain or adjust the capital structure, the Fund may call undrawn capital from the Limited Partners or raise medium/long-term third party debt. Neither the Fund nor any of its Subsidiaries are subject to externally imposed capital requirements.

There were no changes in the Fund's approach to capital management during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2019****8. FINANCIAL RISK MANAGEMENT (CONTINUED)****8.3 Fair value estimation**

As at 31 December 2019, 100% (2018: 100%) of financial assets at fair value through profit or loss comprise of the investments in Subsidiaries that has been fair valued in accordance with the policies set out above. The Subsidiaries are not publicly traded; prior to maturity, an exit can only be made by the Fund through a sale of its investment and commitment in the Subsidiaries through a secondary market. As set out in the LPA, the Fund's objective is to acquire investments with the intention to recover the capital invested through distributions received from the Subsidiaries funded through their realisation of their private equity, debt or infrastructure investment positions. As a result, the carrying value of the Subsidiaries may be significantly different from the value ultimately realised on an exit via a secondary market sale. It is not the objective nor intention of the Fund to exit the Subsidiaries in the secondary market sale.

As the Subsidiaries are not traded on an active market, and their fair values are determined using valuation techniques, the value is primarily based on the latest available financial statements of the Subsidiaries as reported by the Administrator of the Subsidiaries. The Subsidiaries financial statements have been prepared based on the valuation of the Subsidiaries own underlying investments. The Fund and its Subsidiaries have effectively used the income approach which discounts the expected cash flows attributable to each asset at an appropriate rate to arrive at fair values. In determining the discount rate, regard is given to relevant long-term government bond yields, the specific risks of each investment and the evidence of recent transactions.

Fair value hierarchy

The fair value hierarchy consists of the following three levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' input requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

8. FINANCIAL RISK MANAGEMENT (CONTINUED)

8.3 Fair value estimation (continued)

The following table analyses, within the fair value hierarchy, the Fund's investments measured at fair value:

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
As at 31 December 2019				
Investments in Subsidiaries	-	-	308,834,536	308,834,536
As at 31 December 2018				
Investments in Subsidiaries	-	-	295,202,105	295,202,105

There were no transfers between Level 1 and Level 2 during the year. Reconciliations of Level 3 balances are disclosed in the relevant notes as indicated below. The effect of different economic assumptions on the fair value of the Level 3 assets is disclosed in this note.

Level 3 is comprised of the investments in Subsidiaries held by the Fund that is not quoted on an active market.

Valuation – the Subsidiary

In determining the fair value of the Subsidiary, the Fund relies on the valuation as reported in the latest available financial statements and the underlying valuations of the investment portfolio.

The Investment Manager is responsible for monitoring the performance of the Subsidiary and reporting such performance to the General Partner. Where the information provided by the Subsidiary's Administrator is not considered appropriate by the Investment Manager and General Partner, the Investment Manager will make amendments to the net asset value ("NAV") obtained as noted above in order to recommend a carrying value that more appropriately reflects the fair value at the Fund reporting date.

The following summarises the valuation techniques and input used for investments in Subsidiaries categorised in Level 3 as at 31 December 2019 and 2018.

	Fair value EUR	Valuation technique	Significant unobservable input	Range of discount rate applied
As at 31 December 2019				
Investments in Subsidiaries	304,834,536	Discounted cash flow	Discount rate	6.75% - 9.20%
		Reasonable possible shift (absolute value)	Change in valuation EUR	
Investments in Subsidiaries		5% movement in discount rate	8,251,240	

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

8. FINANCIAL RISK MANAGEMENT (CONTINUED)

8.3 Fair value estimation (continued)

	Fair value EUR	Valuation technique	Significant unobservable input	Range of discount rate applied
As at 31 December 2018				
Investments in Subsidiaries	295,202,105	Discounted cash flow	Discount rate	7.75% - 9.35%
		Reasonable possible shift (absolute value)	Change in valuation EUR	
Investments in Subsidiaries		5% movement in discount rate	9,865,236	

The change in valuation disclosed in the above table shows the direction a increase / (decrease) in the respective input variable would have on the valuation result. For the investments in Subsidiaries, increase / (decreases) in cost of capital would lead to an increase / (decrease) in estimated value.

No interrelationships between unobservable input used in the Fund's valuation of its Level 3 investments in Subsidiaries have been identified.

The Fund has recognised unrealised gains of EUR43,197,774 (2018: EUR23,910,610) on its Level 3 investments, these are included in the Statement of Comprehensive Income as net changes in fair value of financial assets through profit or loss.

8.4 Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period. There were no such transfers in the current reporting period.

9. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The General Partner makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

9. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Financial assets at fair value through profit or loss

Judgements

By virtue of the Fund's status as an Investment Entity and the exemption provided by IAS 28 and IFRS 11 as well as the adoption of Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27), investments are designated upon initial recognition to be accounted for at fair value through profit or loss.

Carried interest

The accounting for carried interest is a critical judgement. Carried interest is calculated based on the General Partner's hypothetical share of profits, taking into account the cash already distributed from the Fund and the amount of divestment proceeds receivable or to be received on disposal (indicated by the fair value of the investments at the year-end date), as estimated by the General Partner. The total carried interest eventually distributed to the General Partner over the life of the Fund might be significantly different from the carried interest reported at the reporting date.

Investment Entity status

In determining the Partnership's status as an Investment Entity in accordance with IFRS 10, the General Partner considered the following:

- a) The Fund has raised commitments from a number of investors in order to raise capital to invest in infrastructure investments and to provide the investors with investment management services with respect to these infrastructure investments;
- b) The Fund intends to generate capital and income returns from its infrastructure investments which will, in turn, be distributed in accordance with the LPA to the Limited Partners; and
- c) The Fund evaluates its infrastructure investments' performance on a fair value basis, in accordance with the policies set out in these financial statements.

Estimates

The Fund recognises the investment in its directly owned Subsidiaries at fair value which includes the fair value of each of the individual project companies and holding companies in which the Company holds an indirect investment. Fair values for those investments for which a market quote is not available are determined using the income approach which discounts the expected cash flows at the appropriate rate. In determining the discount rate, regard is had to relevant long-term government bond yields, specific risks and the evidence of recent transactions. The General Partner has satisfied itself that PPP or similar investments share the same investment characteristics and as such constitute a single asset class for IFRS 7 disclosure purposes.

The range of discount rates applied in the December 2019 valuation was 7.75% - 9.35% (2018: 7.75% - 9.35%). The discount rate is considered one of the most significant unobservable inputs through which an increase or decrease would have a material impact on the fair value of the financial assets at fair value through profit or loss.

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 December 2019**

10. FINANCIAL INSTRUMENTS BY CATEGORY

At 31 December 2019, the Fund held the following classes of financial instruments that are measured at fair value. For all other assets and liabilities, their carrying value approximates to fair value.

	Financial assets at amortised cost EUR	Designated at fair value through profit or loss EUR	Total
As at 31 December 2019			
Assets			
Investments in Subsidiaries	-	304,834,536	304,834,536
Receivables	5,992,943	-	5,992,943
Cash and cash equivalents	47,739	-	47,739
	6,040,682	304,834,536	310,875,218

	Financial assets at amortised cost EUR	Designated at fair value through profit or loss EUR	Total EUR
As at 31 December 2018			
Assets			
Investments in Subsidiaries	-	295,202,105	295,202,105
Receivables	3,376,949	-	3,376,949
Cash and cash equivalents	22,847	-	22,847
	3,399,796	295,202,105	298,601,901

	Other financial liabilities at amortised cost EUR	Liabilities at fair value through profit or loss EUR	Total EUR
As at 31 December 2019			
Liabilities			
Payables and accruals	151,763	-	151,763

As at 31 December 2018			
Liabilities			
Payables and accruals	146,224	-	146,224

ABERDEEN EUROPEAN INFRASTRUCTURE PARTNERS LP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 December 2019**

11. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

As disclosed in the LPA, the General Partner is entitled to receive the General Partner's Share, which is calculated as a percentage of total investment acquisition cost during the period. Currently, the investment related fee income is in excess of the GP share accrual leaving a balance receivable from the LP of EURnil (2018: EURnil).

During the year, the General Partner charged EURnil (2018: EUR1,055,169) in respect of General Partner's Share, of which EURnil (2018: EURnil) was outstanding at the end of the year. The reduced fee is due to an offset of investment related fees received by AI (Holdco) B.V. from its underlying project companies in 2018. These fees exceeded the prior year General Partner Share charge and hence the charge was reduced with the remaining balance being credited to deferred income. This amount will be released through the profit and loss account in subsequent periods in line with clause 9.2(c) of the LPA.

Intercompany loans are disclosed in Note 6.

12. ULTIMATE CONTROLLING PARTY

The Directors of the General Partner do not consider there to be any one ultimate controlling party.

13. UNDRAWN COMMITMENTS

As at 31 December 2019 the Fund had undrawn commitments from the Limited Partners of EUR7,287,791 (2018: EUR7,287,791), including a callable return of capital EUR2,024,193 (2018: EUR2,024,193).

14. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Company occurring between the end of the reporting period and 30 March 2020, the date the financial statements were available to be issued and has determined that there were no subsequent events requiring adjustment or additional disclosure at the date of signing this report and the audited financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

15. CONTINGENT LIABILITY

IAS 37 Provisions, Contingent Liabilities and Contingent Assets sets out the recognition and disclosure criteria for provisions and contingent liabilities. Carried interest represents a contingent liability due to the uncertain timing and realisable value of the distribution and as such has been disclosed in the financial statements.

Of the net assets attributable to Limited Partners, if the Fund's assets were realised at their Net Asset Value at 31 December 2019 an amount of EUR24,076,779 (2018: EUR17,537,894) would be due to the Carried Interest Partner.