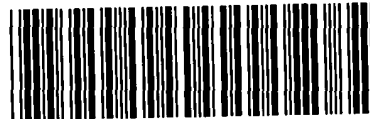


CHANGE CAPITAL PARTNERS LLP
MEMBERS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PARTNERSHIP No. OC302712

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CHANGE CAPITAL PARTNERS LLP

The Members present their report and the audited financial statements for the year ended 31 December 2019.

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CHANGE CAPITAL PARTNERS LLP

MEMBERS' REPORT

The Members present their report and the audited financial statements for the year ended 31 December 2019.

INCORPORATION

Change Capital Partners Limited Liability Partnership the ('LLP') was incorporated on 26 July 2002 and has Partnership Number OC302712.

PRINCIPAL ACTIVITY

The principal activity of the LLP is the provision of private equity fund investment management services and advice.

REVIEW OF BUSINESS

In the opinion of the members, the state of the LLP as at 31 December 2019 is satisfactory. No investments or divestments were made during 2019.

BASIS OF PREPARATION

Following the global pandemic of COVID-19, management have assessed the going concern status of Change Capital Partners LLP for at least the next 12 months.

Having considered the financial risks to the LLP, it is the view of Management that there are no material uncertainties that may cast significant doubt over the ability of the LLP to continue as a going concern for at least the next 12 months, and as such, the accounts have been prepared on that basis.

The Members have considered a worst case possible scenario as a result of the COVID-19 pandemic, where no revenue is earned for the 12 months ending 31 December 2020. In such a scenario the members have concluded that the LLP would still have sufficient capital and reserves beyond 12 months from the date of signing these accounts to meet its ongoing obligations. The Partnership has €401,000 of cash available at 31 December 2019 and subsequent to the year end has received Q1 advisory fees of €100,000. Budgeted costs are expected to be in line with the current year income statement. In addition the Partnership has access to other financing available within the broader Change Capital structure which is under the control of the Members.

The Partnership currently advises Change Capital Investment Management II LP Inc., General Partner to Change Capital Fund II LP Inc., in relation to the two remaining portfolio companies, Frette and Paule Ka. Management intend to continue to manage and monitor these investments held within Change Capital Fund II LP Inc., and the expectation is that both investments held by the fund will not be fully exited and realised for at least the next 12 months.

RESULTS FOR THE PERIOD AND ALLOCATION TO MEMBERS

In the year the LLP made a profit, before members' remuneration and profit shares of €325,585 (Dec 2018: €985,087). €325,000 was allocated to members (2018: €983,084) and €585 retained in reserves (2018: €2,003).

MEMBERS

The following held office during the period and subsequently :-

L Vandevelde - (Designated Member)
S Petrow - (Designated Member)
R Holmes - (Designated Member)
S Lobmeyr - (Designated Member)

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTION AND REPAYMENT OF MEMBER'S CAPITAL

The policy of Change Capital Partners LLP regarding the allocation of profits to members, drawings, distributions, and the subscription and the repayment of members' capital is disclosed in the accounting policies.

Luc Vandevelde ("the Key Man") as defined in the LLP's Limited Partnership Deed shall determine on an annual basis the proportion in which the profits excluding drawings shall be payable by the LLP to the members and the LLP shall allocate and distribute profits excluding drawings to the respective members on that basis.

Any debts due to Members rank pari passu with creditors who are unsecured in the event of a winding up of the LLP.

The remuneration, including pension contributions, allocated to members during the period amounted to €325,000 (Dec 2018: €983,084).

AUDITORS

Pursuant to Section 487 of the Companies Act 2006 as required by Regulation 36 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

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

REGISTERED OFFICE

West Lane Farm
West Lane
Harrogate
HG3 2HP

ON BEHALF OF THE BOARD



AUTHORISED SIGNATORY - 24 June 2020

CHANGE CAPITAL PARTNERS LLP

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

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare the financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Section 1A FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHANGE CAPITAL PARTNERS LLP

Opinion

We have audited the financial statements of Change Capital Partners LLP ("the LLP") for the year ended 31 December 2019 which comprise the Profit and Loss Account and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Members' Interests, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the LLP as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

Basis for opinion

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

Going concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model, including the impact of Brexit, and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the LLP will continue in operation.

Other Information

The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare financial statements in accordance with the small limited liability partnerships' regime.

We have nothing to report in these respects.

CHANGE CAPITAL PARTNERS LLP

Members' responsibilities

As explained more fully in their statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

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

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

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Crabb (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
Date: 24 June 2020

CHANGE CAPITAL PARTNERS LLP**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2019**

| | Notes | Year ended 31 Dec 19 | Year ended 31 Dec 18 |
|---|--------------|---------------------------------|---------------------------------|
| Turnover | 2 | 590,000 | 1,240,000 |
| Administration expenses | | (264,415) | (254,913) |
| Operating profit | 3 | 325,585 | 985,087 |
| Net interest | | - | - |
| Profit on ordinary activities before taxation | | 325,585 | 985,087 |
| Profit for the financial year before members' remuneration and profit shares | | 325,585 | 985,087 |
| Members' remuneration charged as an expense | | (325,000) | (983,084) |
| Profit for the financial year available for discretionary division among members | | 585 | 2,003 |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income | | 585 | 2,003 |

Historical cost equivalents

There is no difference between the profit available for division among members for the period stated above and its historical cost equivalent.

Continuing operations

All of the LLP's operations are classified as continuing.

CHANGE CAPITAL PARTNERS LLP**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2019**

| | Notes | As at 31 Dec 19 € | As at 31 Dec 18 € |
|--|--------------|--------------------------------------|--------------------------------------|
| Fixed assets | | | |
| Tangible assets | 5 | - | 2,553 |
| | | - | 2,553 |
| Current assets | | | |
| Debtors | 6 | 185,911 | 365,730 |
| Cash at bank | | 400,678 | 199,144 |
| | | 586,589 | 564,874 |
| Creditors: amounts falling due within one year | 7 | (538,937) | (520,360) |
| Net current assets | | 47,652 | 44,514 |
| Net assets attributable to members | | 47,652 | 47,067 |
| Represented by: | | | |
| Loans and other debts due to members | | | |
| Members' capital classified as a liability | | 18,201 | 18,201 |
| Equity | | | |
| Members' capital classified as a equity | | 8,319 | 8,319 |
| Members' other interests - other reserves classified as equity | | 21,132 | 20,547 |
| Total members' interest | | 47,652 | 47,067 |

These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLP's regime and in accordance with the provisions of FRS 102 Section 1A.

The financial statements were approved by the members on the 24 June 2020 and were signed on its behalf by:

Designated Member

Steven Petrow

CHANGE CAPITAL PARTNERS LLP

STATEMENT OF CHANGES IN MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Members' Capital | Other Reserves | Total | Loans & Other Debts to Members | Total Members' Interests |
|--|---------------------|-------------------|---------------|--------------------------------------|--------------------------------|
| | € | € | € | € | € |
| Movement during year | | | | | |
| Balance brought forward at 1 January 2018 | 8,319 | 18,544 | 26,863 | 18,201 | 45,064 |
| Members' remuneration charged as an expense | - | - | - | 983,084 | 983,084 |
| Profit for the year available for discretionary division among members | - | 2,003 | 2,003 | - | 2,003 |
| | <u>8,319</u> | <u>20,547</u> | <u>28,866</u> | <u>1,001,285</u> | <u>1,030,151</u> |
| Drawings | - | - | - | (983,084) | (983,084) |
| Amounts carried forward 31 December 2018 | <u>8,319</u> | <u>20,547</u> | <u>28,866</u> | <u>18,201</u> | <u>47,067</u> |

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Members' Capital | Other Reserves | Total | Loans & Other Debts to Members | Total Members' Interests |
|--|---------------------|-------------------|---------------|--------------------------------------|--------------------------------|
| | € | € | € | € | € |
| Movement during year | | | | | |
| Balance brought forward at 1 January 2019 | 8,319 | 20,547 | 28,866 | 18,201 | 47,067 |
| Members' remuneration charged as an expense | - | - | - | 325,000 | 325,000 |
| Profit for the year available for discretionary division among members | - | 585 | 585 | - | 585 |
| | <u>8,319</u> | <u>21,132</u> | <u>29,451</u> | <u>343,201</u> | <u>372,652</u> |
| Drawings | - | - | - | (325,000) | (325,000) |
| Amounts carried forward 31 December 2019 | <u>8,319</u> | <u>21,132</u> | <u>29,451</u> | <u>18,201</u> | <u>47,652</u> |

CHANGE CAPITAL PARTNERS LLP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Notes | Year to 31 Dec 19 € | Year to 31 Dec 18 € |
|--|--------------|--|--|
| Net cash inflow from operating activities | A | 526,534 | 1,148,799 |
| <i>Returns on Investments and servicing of finance</i> | | | |
| Interest received | | - | - |
| Net cash inflow from returns on investments and servicing of finance | | - | - |
| <i>Capital expenditure and financial investment</i> | | | |
| Payments to acquire tangible fixed assets | | - | - |
| Proceeds from disposal of tangible fixed assets | | - | - |
| Net cash inflow/(outflow) for capital expenditure and financial investment | | - | - |
| <i>Transactions with members and former members</i> | | | |
| Payments to members | | (325,000) | (983,084) |
| Net cash outflow from transactions with members and former members | | (325,000) | (983,084) |
| Movement in cash | | 201,534 | 165,715 |
| Reconciliation of net cash flow to movement in net cash | | Year to 31 Dec 19 | Year to 31 Dec 18 |
| Change in net cash | | 201,534 | 165,715 |
| Net cash at start of period | | 199,144 | 33,429 |
| Net cash at end of period | | 400,678 | 199,144 |

NOTES TO THE STATEMENT OF CASH FLOWS

A. Reconciliation of operating profit to net cash inflow from operating activities

| | Year to 31 Dec 19 € | Year to 31 Dec 18 € |
|---|--|--|
| Operating profit | 325,585 | 985,087 |
| Depreciation | 2,553 | 6,150 |
| (Increase)/Decrease in debtors | 179,819 | 254,973 |
| Decrease in creditors | 18,577 | (97,411) |
| Net cash inflow from operating activities | 526,534 | 1,148,799 |

CHANGE CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

These financial statements were prepared in accordance with Section 1A of Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in March 2018 and in accordance with the Statement of Recommended Practice for Limited Liability Partnerships.

These financial statements have been prepared under the historical cost convention. The financial statements have been prepared on a going concern basis. The LLP has made a profit during the year and has net current assets at the year end and the Designated Members are satisfied that there are and will continue to be, for a period of 12 months from the date of signing, sufficient net cash flows to pay the Partnership's debts as and when they fall due.

The presentational and functional currency of these financial statements is Euro.

A summary of the key accounting policies which have been applied consistently, is set out below.

Use of judgments and estimates

In preparing these financial statements, judgements, estimates and assumptions have been made that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. There were no critical estimates or judgements made.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied.

Investment advisory fees

Investment advisory fees represent fees derived from the provision of investment advice to Change Capital Investment Management Guernsey II LP Inc the General Partner of Change Capital Fund II LP Inc, accounted for on an accruals basis.

Basis of preparation

Following the global pandemic of COVID-19, management have assessed the going concern status of Change Capital Partners LLP for at least the next 12 months.

Having considered the financial risks to the LLP, it is the view of Management that there are no material uncertainties that may cast significant doubt over the ability of the LLP to continue as a going concern for at least the next 12 months, and as such, the accounts have been prepared on that basis.

The Members have considered a worst case possible scenario as a result of the COVID-19 pandemic, where no revenue is earned for the 12 months ending 31 December 2020. In such a scenario the members have concluded that the LLP would still have sufficient capital and reserves beyond 12 months from the date of signing these accounts to meet its ongoing obligations. The Partnership has €401,000 of cash available at 31 December 2019 and subsequent to the year end has received Q1 advisory fees of €100,000. Budgeted costs are expected to be in line with the current year income statement. In addition the Partnership has access to other financing available within the broader Change Capital structure which is under the control of the Members.

The Partnership currently advises Change Capital Investment Management II LP Inc., General Partner to Change Capital Fund II LP Inc., in relation to the two remaining portfolio companies, Frette and Paule Ka. Management intend to continue to manage and monitor these investments held within Change Capital Fund II LP Inc., and the expectation is that both investments held by the fund will not be fully exited and realised for at least the next 12 months.

Portfolio company management fees

Portfolio company management fees represent fees derived from the advice given to companies in which Change Capital Fund II LP Inc has invested and is accounted for on an accruals basis.

Expenses

Expenses are accounted for on an accruals basis.

CHANGE CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Foreign currencies

Monetary assets and liabilities are translated into Euros at the rate of exchange ruling at the balance sheet date. Foreign currency transactions are translated into Euros at the rate of exchange ruling at the date of the transaction. Profits and losses on exchange are recognised in the profit and loss account.

The foreign exchange rate used at the balance sheet date was as follows: £1: € 1.18152

Basic financial instruments

(i) Recognition and measurement

Basic financial instruments comprise of debtors, creditors and cash. These instruments are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of financial assets. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(ii) Amortised cost

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(iii) Derecognition

The LLP derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the LLP neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the LLP is recognised as a separate asset or liability. The LLP derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Cash

Cash comprises cash at bank only.

Fixed assets

Depreciation is provided on cost or revalued amounts in equal annual instalments over the estimated useful lives of the assets concerned. The estimated useful life of assets are:

| | |
|----------------------|-----------|
| Office Equipment | : 4 years |
| Computer Equipment | : 3 years |
| Furniture & Fittings | : 4 years |

Bank interest

Bank interest is recognised on an accruals basis.

Taxation

The members are responsible for their own tax payable on their share of the profit of the Partnership and accordingly the Partnership does not bear a tax charge.

Leasing

Rents payable under operating leases are charged against income on a straight line basis over the lease term.

Members' remuneration

A member's share in the profit or loss for the period is accounted for as an allocation of profits. During the period members receive monthly drawings. These monthly drawings are not repayable by the members and they do not represent a discretionary division of profit. Members are not obliged to make up losses of the partnership.

CHANGE CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Year ended <u>31 Dec 19</u> | Year ended <u>31 Dec 18</u> |
|--|-----------------------------------|-----------------------------------|
| | € | € |
| 2. TURNOVER | | |
| Investment advisory fees due from CCIM (Guernsey) II Ltd | 90,000 | 740,000 |
| Portfolio company management fees | 500,000 | 500,000 |
| | <u>590,000</u> | <u>1,240,000</u> |

| | Year ended <u>31 Dec 19</u> | Year ended <u>31 Dec 18</u> |
|--|-----------------------------------|-----------------------------------|
| | € | € |
| 3. OPERATING PROFIT | | |
| Operating profit for the year is stated after charging: | | |
| Depreciation | 2,553 | 6,150 |
| Foreign exchange (gain)/loss | (2,564) | (11,036) |
| Bad & doubtful debts | 75,000 | - |
| Operating lease rentals - land and buildings | - | - |
| <i>Auditor's remuneration:</i> | | |
| Audit of these financial statements | 22,449 | 17,516 |
| <i>Amounts receivable by the auditors and their respective associates in respect of:</i> | | |
| Other services relating to taxation | 7,351 | 19,230 |

| | Year ended <u>31 Dec 19</u> | Year ended <u>31 Dec 18</u> |
|---|-----------------------------------|-----------------------------------|
| | | |
| 4. EMPLOYEES AND MEMBERS | | |
| The average number of members and employees of the partnership during the period was: | | |
| Members | 4 | 5 |
| Employees | - | - |
| | <u>4</u> | <u>5</u> |
| The costs incurred in respect of the employees were: | | |
| | € | € |
| Wages and salaries | - | - |
| Social security costs | - | - |
| Other pension costs | - | - |
| | <u>-</u> | <u>-</u> |

The total profit share, including remuneration, of the highest paid member in the year was €100,000 (2018: €225,000).

CHANGE CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5. TANGIBLE ASSETS

| | Office Equipment and Fittings | Computer Equipment | Total |
|-----------------------|-------------------------------------|-----------------------|--------|
| | € | € | € |
| Cost | | | |
| At 31 December 2018 | 14,549 | 10,877 | 25,426 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 December 2019 | 14,549 | 10,877 | 25,426 |
| Depreciation | | | |
| At 31 December 2018 | 11,996 | 10,877 | 22,873 |
| Charge for period | 2,553 | - | 2,553 |
| Disposals for period | - | - | - |
| At 31 December 2019 | 14,549 | 10,877 | 25,426 |
| Net Book Value | | | |
| At 31 December 2019 | - | - | - |
| At 31 December 2018 | 2,553 | - | 2,553 |

6. DEBTORS

| | As at 31 Dec 19 € | As at 31 Dec 18 € |
|--|-------------------------|-------------------------|
| Amounts falling due within one year | | |
| Management fees due from portfolio companies | 125,000 | 125,000 |
| Other debtors | 25,069 | 17,397 |
| Prepayments and accrued income | 25,842 | 33,333 |
| Amounts owed by CCIM (Guernsey) II Ltd | 10,000 | 190,000 |
| | 185,911 | 365,730 |

Amounts due from related parties have no fixed date for repayment and are repayable on demand.

CHANGE CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

| 7. CREDITORS - DUE WITHIN ONE YEAR | As at | As at |
|--|----------------|----------------|
| | 31-Dec-19 | 31-Dec-18 |
| | € | € |
| Accruals & Deferred Income | 66,567 | 44,400 |
| Other Creditors | 13,760 | 17,350 |
| Amount owed to Change Capital Services Ltd | 458,610 | 458,610 |
| | <u>538,937</u> | <u>520,360</u> |

Amounts due to related parties have no fixed date for repayment and are repayable on demand.

8. RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

Change Capital Partners LLP provides advisory services to Change Capital Investment Management II LP Inc ("CCIM II") the General Partner of Change Capital Fund II LP Inc. CCIM II is indirectly owned by the Partners of CCP LLP although not under their control, however, due to the indirect ownership it is considered a related party.

During the year the LLP earned €90,000 (2018: €740,000) for advisory services provided to CCIM II. At the year end a total of €10,000 was outstanding (2018: €190,000) from CCIM II.

Change Capital Partners LLP and Change Capital Services Limited ("CCS") are under common control and CCS is considered a related party.

During the year no services were provided to CCS (2018: €nil). At the year end a total of €458,610 (2018: €458,610) was outstanding to CCS.

Change Capital Partners LLP has no ultimate controlling party.

9. SUBSEQUENT EVENTS

The first half of 2020 has seen a sharp increase in the volatility of all financial markets due to the COVID-19 pandemic. The Members are actively monitoring the situation and the ongoing risks to the LLP. The LLP will continue to advise on the management of the Fund's assets within investment and risk parameters that have been established. The Members will continue to review the situation in order to navigate both the LLP and the Fund through this period of heightened uncertainty.

The LLP has assessed all risks and performed rigorous stress testing to fully test the potential impact on the business. Management considered the worst possible scenario as a result of the COVID-19 pandemic, where no revenue is earned in the 12 months ending 31 December 2020. The outcome was that the LLP would have sufficient capital and reserves beyond 12 months (from the account signing date) to meet its ongoing obligations of the LLP. The LLP is debt free and has no plans to take on debt.