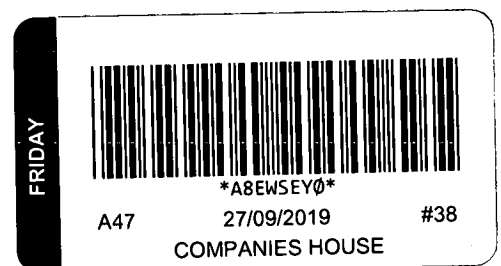


Charterhouse General Partners (Scotland) Limited

Report and financial statements for the year ended 31 December 2018



DIRECTORS' REPORT

The Directors present their report on the affairs of Charterhouse General Partners (Scotland) Limited (the "Company"), a private limited company incorporated in the United Kingdom, together with the financial statements and auditor's report for the year ended 31 December 2018 ("2017" refers, throughout the report and financial statements, to the nine month period ended 31 December 2017).

DIRECTORS

The Directors of the Company, who held office during the year and at the date of this report, are:

Mr D Aldred
Mr P N Burrow
Mr L L M Giacomotto
Mr T S Patrick

Registered Office: 50 Lothian Road, Festival Square, Edinburgh, Scotland EH3 9WJ.

PRINCIPAL ACTIVITY

The Company's principal activity is to act as General Partner of CCP VIII Carried Interest LP, CCP IX Carried Interest LP and CCP IX Carried Interest B LP, and as First General Partner of CCP X Carried Interest LP, CCP X Carried Interest B LP and CCP X Feeder LP (together, the "Partnerships").

The principal activity of the Charterhouse group of companies ("the Group") is the provision of private equity fund management and related services.

BUSINESS REVIEW

The business has performed in line with its Directors' expectations. No new activities outside of the core business have been entered into or are contemplated.

PROFIT AND DIVIDENDS

The profit for the year after taxation was £1,292 (2017 £834). The Directors do not recommend the payment of a dividend (2017 £nil).

GOING CONCERN

The Company has sufficient financial resources, and as a consequence, the Directors believe that the Company is well-placed to manage its business risk. With this in mind and having made all reasonable enquiries and having respect to the nature of the Company and its activities, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

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

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

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

DIRECTORS' INDEMNITIES

The Company has qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

SMALL COMPANIES REGIME

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The Directors have chosen not to prepare a Strategic Report as the company is a small company under the Companies Act 2006.

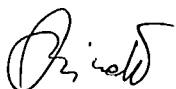
DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, each Director has taken all the steps that he/she is obliged to take as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By Order of the Board and signed on its behalf by:



I M WATSON
Secretary

10 April 2019

50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARTERHOUSE GENERAL PARTNERS (SCOTLAND) LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Charterhouse General Partners (Scotland) Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the Company which comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 12.

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

Basis for opinion

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

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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 these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARTERHOUSE GENERAL PARTNERS (SCOTLAND) LIMITED (continued)

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Matters on which we are required to report by exception

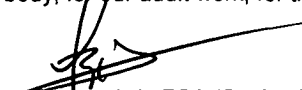
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Enorzag Aziz FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

12 April 2019

PROFIT AND LOSS ACCOUNT

		Year ended 31 December 2018 £	Nine month period ended 31 December 2017 £
	Notes		
Turnover	3	1,348	999
Administrative expenses	4	(300)	-
Other operating gains		547	-
Profit on ordinary activities before taxation		1,595	999
Taxation on profit on ordinary activities	6	(303)	(165)
Profit for the financial year/period		1,292	834
Profit for the financial year/period attributable to:			
Equity shareholder of the Company		1,292	834
		1,292	834

There was no other comprehensive income for the financial year (2017 £nil). Accordingly, no separate statement of other comprehensive income has been presented.

All income and expenditure arose from continuing activities.

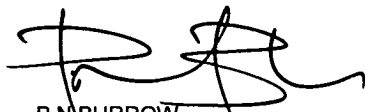
The notes on pages 8 to 12 form part of these financial statements.

BALANCE SHEET

as at		31 December 2018 £	31 December 2017 £
	Notes		
CURRENT ASSETS			
Debtors:			
Amounts falling due within one year	7	8,728	9,307
CREDITORS: Amounts falling due within one year	8	383	2,173
NET CURRENT ASSETS		8,345	7,134
Provision for liabilities	9	297	378
NET ASSETS		8,048	6,756
CAPITAL AND RESERVES			
Share capital	10	1	1
Profit and Loss Account		8,047	6,755
TOTAL SHAREHOLDER'S FUNDS		8,048	6,756

The notes on pages 8 to 12 form part of these financial statements.

The financial statements of Charterhouse General Partners (Scotland) Limited (registered number SC222907) were approved by the Board of Directors and authorised for issue on 10 April 2019. They were signed on its behalf by:


P N BURROW
Director

STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity shareholder of the Company		
	Called up share capital	Profit and Loss Account	Total
	£	£	£
At 1 April 2017	1	5,921	5,922
Profit for the financial period	-	834	834
At 31 December 2017	1	6,755	6,756
Profit for the financial year	-	1,292	1,292
At 31 December 2018	1	8,047	8,048

The notes on pages 8 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2018

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding period.

Company information

Charterhouse General Partners (Scotland) Limited is a private company limited by shares, incorporated in the United Kingdom and registered in Scotland under the Companies Act 2006. The address of the registered office is 50 Lothian Road, Festival Square, Edinburgh, Scotland EH3 9WJ. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 1.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), as issued by the Financial Reporting Council.

The functional currency of the Company is Sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to presentation of a cash flow statement and from disclosing transactions with other wholly-owned companies within the same Group.

Going concern

The Company has sufficient financial resources, and as a consequence, the Directors believe that the Company is well placed to manage its business risk. With this in mind and having made all reasonable enquiries and having respect to the nature of the Company and its activities, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing financial statements.

Financial assets and liabilities

Financial assets and liabilities which are basic financial instruments are initially recorded at the transaction price. Subsequently, these are measured at amortised cost using the effective interest method. Financial assets and liabilities that are classified as receivable or payable within one year are not discounted. Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the ownership of the asset are transferred to another party or despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Turnover

The Company receives management profit shares from the Partnerships which are accounted for on an accruals basis. All turnover is derived from the United Kingdom.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date. Foreign exchange differences are recognised in the Profit and Loss Account in the period in which they arise. Foreign exchange gains and losses are presented in the Profit and Loss Account within Other operating gains/(losses).

Limited partnerships under management

The Company is the General Partner of certain limited partnerships (the "Funds") which invest in, primarily, unlisted companies in the UK and Europe. Due to the nature of limited partnerships, the Funds could technically be considered as subsidiary undertakings of the General Partner. However, as the distribution of the assets of the Funds is determined by the limited partnership agreements, the General Partner's rights over the assets of the Funds are severely restricted and therefore the Funds have been excluded from consolidation.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2018 (continued)

1 ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

In preparation of the financial statements the Directors have applied judgements in assessing the key accounting policies included in note 1 and in applying estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenue and expenses during the financial year.

(i) Critical judgements in applying the Company's accounting policies

The critical judgements that the Directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

Assessing indicators of impairment:

In assessing whether there has been any indication of impairment of assets, the Directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

(ii) Critical accounting estimates and assumptions

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

3 TURNOVER

The turnover for the year was £1,348 (2017 £999).

4 ADMINISTRATIVE EXPENSES

The auditor's remuneration of £2,600 (2017 £2,500) has been borne by a fellow subsidiary undertaking.

The Company had no employees during the year (2017 none).

5 DIRECTORS' EMOLUMENTS

The Directors do not receive any remuneration for their services to the Company and have not waived any remuneration (2017 £nil).

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2018 (continued)

6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of the tax charge in the year/period

	Year ended 31 December 2018 £	Nine month period ended 31 December 2017 £
Current tax:		
UK corporation tax on the profit for the year/period	(383)	-
Adjustment in respect of prior periods	-	213
Total current tax (charge)/credit	(383)	213
Deferred tax:		
Other timing differences	80	(190)
Adjustment in respect of prior periods	-	(188)
Total deferred tax credit/(charge)	80	(378)
Total tax charge on profit on ordinary activities	(303)	(165)

b) Factors affecting the total tax charge for the year/period

The tax assessed on profit on ordinary activities for the year/period differs from the standard rate of corporation tax in the UK of 19.0% (2017 19.0%). The differences are reconciled below.

	Year ended 31 December 2018 £	Nine month period ended 31 December 2017 £
Profit on ordinary activities before taxation	1,595	999
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.0% (2017 19.0%)	(303)	(190)
Effects of:		
Adjustments in respect of prior periods	-	25
Total tax charge for the year/period	(303)	(165)

Finance Act (No.2) 2015 included provisions to reduce the UK corporation tax rate to 19% with effect from 1 April 2017. Finance Act 2016 introduced further legislation to reduce the main rate of corporation tax to 17% from 1 April 2020 and these rates have therefore been used to measure deferred tax assets and liabilities where applicable.

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2018 (continued)

7 DEBTORS

	31 December 2018	31 December 2017
	£	£
Amounts falling due within one year:		
- Amounts due from fellow subsidiary undertakings	4,241	-
- Amounts due from managed funds	4,487	9,307
	<u>8,728</u>	<u>9,307</u>

The amounts due from fellow subsidiary undertakings and managed funds are unsecured, interest free and at call.

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2018	31 December 2017
	£	£
Amounts due to fellow subsidiary undertakings	-	2,173
Group relief creditor	383	-
	<u>383</u>	<u>2,173</u>

The amounts due to subsidiary undertakings are unsecured, interest free and at call.

9 PROVISION FOR LIABILITIES

Deferred tax is provided as follows:

	31 December 2018	31 December 2017
	£	£
Other timing differences	297	378
	<u>297</u>	<u>378</u>

The deferred tax liability arises on accounting profits not taxable in the current period which is expected to reverse in future periods.

10 SHARE CAPITAL

	31 December 2018	31 December 2017
	£	£
Authorised, allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2018 (continued)

11 RELATED PARTY TRANSACTIONS

As at 31 December 2018, the Company acted as the General Partner to the following limited partnerships:

CCP VIII Carried Interest LP
CCP IX Carried Interest LP
CCP IX Carried Interest B LP

As at 31 December 2018, the Company acted as the First General Partner to the following limited partnerships:

CCP X Carried Interest LP
CCP X Carried Interest B LP
CCP X Feeder LP

These limited partnerships are considered to be related parties by virtue of the control exercised by the General Partner over the management of the limited partnerships.

Income receipts from the limited partnerships during the year comprised management profit share calculated on terms prescribed within the respective limited partnership agreements. The total receipt is disclosed as turnover in note 3 to these financial statements.

As at 31 December 2018, as disclosed in note 7, amounts of £4,241 were due from fellow subsidiary undertakings (2017 £nil). As at 31 December 2018, as disclosed in note 8, no amounts were due to fellow subsidiary undertakings (2017 £2,173).

Under the terms of FRS 102 the Company, which is a wholly-owned subsidiary, is exempt from disclosing transactions with other wholly-owned companies within the same Group.

12 ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking and ultimate controlling party is Watling Street Capital Partners LLP, a limited liability partnership incorporated in the United Kingdom.

The ultimate parent undertaking of the smallest and largest group in which the financial statements of the Company are consolidated is Watling Street Capital Partners LLP.

The consolidated financial statements of Watling Street Capital Partners LLP may be obtained from the Company Secretary, Warwick Court, Paternoster Square, London EC4M 7DX.