

J.P. Morgan 8CS Investments (GP) Limited

Registered number: 05684071

Annual report for the year ended 31 December 2019

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J.P. Morgan 8CS Investments (GP) Limited

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J.P. Morgan 8CS Investments (GP) Limited

Company information

Directors

R A Crombie

J R Ehlinger

C J Whittington

Company Secretary

J.P. Morgan Secretaries (UK) Limited

Registered office

25 Bank Street

Canary Wharf

London

E14 5JP

J.P. Morgan 8CS Investments (GP) Limited

Directors' report for the year ended 31 December 2019

The directors present their report and the unaudited financial statements of J.P. Morgan 8CS Investments (GP) Limited for the year ended 31 December 2019.

Principal activities

The principal activity of J.P. Morgan 8CS Investments (GP) Limited ("the Company") is to act as general partner to limited partnerships which invest in real estate. The Company is dormant and has not traded during the period.

Review of business

On 30 June 2015, the Company ceased receiving profit share (General Partner's Share) from 8CS Investments L.P. as agreed with the Limited Partner. The directors consider that the result for the financial year and the financial position at the end of the financial year was satisfactory.

The directors of the Company do not anticipate any changes in the activities of the Company for the foreseeable future. However, the directors anticipate the Company will be placed into voluntary liquidation and as such, the directors have adopted a basis of preparation other than that of a going concern in the annual financial statements.

Directors

The names of the directors who were in office during the year and up to the date of signing the financial statements are listed on page 1.

Principal risks and uncertainties

Whilst management of the Company's risks and uncertainties is integrated with that of JPMorgan Chase & Co. (the "Firm") and its associated subsidiaries (collectively, the "Group") of which the Company is part, the Company also manages its risks at a legal entity level.

The principal risks and uncertainties relating to the Group as a whole are discussed within the Group's annual report (which does not form part of this report). Those relating specifically to the Company itself are discussed in the Financial risk management section of this report.

COVID-19

The Firm is monitoring Coronavirus Disease 2019 ("COVID-19"), based on the guidance being provided by the relevant health and government authorities, and continues to implement protocols and processes in response to the spread of the virus. For more detail on Firmwide measures refer to operational risk below. The Company was not aware of any material adverse effects on the financial statements as a result of COVID-19, refer to post balance sheet event note 6 (page 8).

Financial risk management

Risk management is an inherent part of the business activities of the Group of which the Company is a part. The Company has adopted the same risk management policies and procedures as the Group as a whole. The Company's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its major risks. The Company exercises oversight through the Board of Directors.

The Company's operations expose it to a variety of financial risks, the most significant of which are credit risk and operational risk.

An overview of the key aspects of risk management and the use of financial instruments is provided below. A more detailed description of the policies and processes adopted by all Group companies may be found within the JPMorgan Chase & Co. annual report.

J.P. Morgan 8CS Investments (GP) Limited

Directors' report for the year ended 31 December 2019

Credit risk

The Company complies with Group policies which require monthly monitoring and reporting of exposures to all financial institutions. These exposures are subject to a Group concentration limit and are reviewed annually by the relevant risk committees.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events. To monitor and control operating risk, the Group and the Company maintain a system of comprehensive policies and a control framework designed to provide a well-controlled operational environment and to monitor and record any control failures.

The Firm is monitoring the COVID-19 pandemic closely, based on the guidance being provided by the relevant health and government authorities, and continues to implement protocols and processes in response to the spread of the virus. The Firm has organised a central team to continue to consider what steps should be taken around the globe to protect our employees, prepare our businesses, and serve our clients and the communities where we live and work. In addition, teams across functions, businesses and regions continue to meet regularly to understand the global situation and to ensure any emerging developments relating to the well-being of our employees or the resiliency of our businesses are addressed quickly. Our business remains operational and senior leaders across the firm continue to monitor operational metrics.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

The directors 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.

J.P. Morgan 8CS Investments (GP) Limited

Directors' report for the year ended 31 December 2019

The directors of the ultimate parent company are responsible for the maintenance and integrity of the of the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Liability insurance for directors

As permitted by Section 233 of the Companies Act 2006, the directors of the Company are covered for insurance purposes by the Group's insurance maintained at a consolidated level.

Third party indemnities

An indemnity is provided to the directors of the Company under the by-laws of JPMorgan Chase & Co. against liabilities and associated costs which they could incur in the course of their duties to the Company. The indemnity was in force during the financial year and also at the date of approval of these financial statements and a copy of the by-laws of JPMorgan Chase & Co. is kept at the registered office of the Company.

Approved by the Board on 15th September 2020 and signed on its behalf by:


Richard Crombie

Director

J.P. Morgan 8CS Investments (GP) Limited

Statement of comprehensive income for the year ended 31 December 2019

The company did not trade during the year or the preceding year and made neither a profit nor a loss. There were also no other recognised gains and losses for the current financial year or the preceding financial year. Accordingly, neither a statement of comprehensive income nor a statement of total recognised gains and losses has been presented.

The notes on pages 7 to 8 form an integral part of these financial statements.

J.P. Morgan 8CS Investments (GP) Limited

Balance sheet as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Cash at bank and in hand		<u>18,826</u>	<u>18,826</u>
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account	5	<u>18,726</u>	<u>18,726</u>
Total shareholder's funds	6	<u>18,726</u>	<u>18,826</u>

For the financial period ended 31 December 2019, the company was entitled to exemption from audit under section 480(1) of the Companies Act 2006.

The shareholder has not required the Company to obtain an audit in accordance with Section 476(1) of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps accounting records which comply with Section 386 of the Act;
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the period and of its profit and loss for the financial period in accordance with the requirements of Section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the Company.

The financial statements on pages 5 to 8 were approved by the board of directors on 15th September 2020 and signed on its behalf by:


Richard Crombie

Director

Company registered number: 05684071

The notes on pages 7 to 8 form an integral part of these financial statements.

J.P. Morgan 8CS Investments (GP) Limited

Notes to the financial statements for the year ended 31 December 2019

1 Accounting policies

The Company is a private company limited by shares and is incorporated and domiciled in England & Wales. The address of its registered office is 25 Bank Street, Canary Wharf, London, E14 5JP.

Basis of preparation

The financial statements have been prepared in accordance with UK Financial Reporting Standard 100 "Application of Financial Reporting Requirements" and Financial Reporting Standard 101 "Reduced Disclosure Framework".

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared on a going concern basis using the historical cost convention.

Disclosure exemptions adopted:

In preparing these financial statements the Company has taken advantage of disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by JPMorgan Chase & Co.

The financial statements of JPMorgan Chase & Co. can be obtained as described in note 5.

Functional and presentation currency

Items included in the financial statements, are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Pound Sterling, which is also the Company's functional currency.

Judgements and key areas of estimation uncertainty

Due to the nature of business undertaken by the Company, no significant accounting estimates or judgements were required in preparation of these financial statements.

2 Employee information

The Company had no employees during the year (2018: nil).

J.P. Morgan 8CS Investments (GP) Limited

Notes to the financial statements for the year ended 31 December 2019

3 Directors' emoluments

The directors did not receive any remuneration from the Company (2018: £nil). Remuneration for their services is provided elsewhere in the Group, and it is not possible to apportion the amount specific to this entity.

4 Called up share capital

	2019	2018
	£	£
Authorised, allotted and fully paid		
100 (2018: 100) ordinary shares of £1 each	100	100

5 Ultimate parent undertaking

The immediate parent undertaking and controlling party is JPMorgan Asset Management (UK) Limited.

The parent company of the largest group for which consolidated financial statements are prepared, and whom the directors regard as the ultimate holding company, is JPMorgan Chase & Co. which is incorporated in the United States of America.

The consolidated financial statements of JPMorgan Chase & Co. are available to the public and may be obtained from the Company's registered office at:

The Company Secretary
25 Bank Street
Canary Wharf
London
E14 5JP

6 Post balance sheet event

Following the outbreak of the COVID-19 pandemic in early 2020, the Company and the Firm are monitoring the development of the pandemic and evaluating its impact on the financial position and operating results of the Company. As at the date on which this set of financial statements were authorised for issue, the Company was not aware of any material adverse effects on the financial position, operations or capital position as a result of the COVID-19 pandemic. For more detail on Firmwide measures refer to Financial risk management.

There were no other post balance sheet events.

8CS Investments LP

Annual Report and Consolidated Financial Statements

For the year ended 31 December 2019

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 05634071

8CS Investments LP

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8CS Investments LP

General Information

General Partner:	J.P. Morgan 8CS Investments (GP) Limited
Directors of the General Partner:	Richard Crombie Jean-Christophe Ehlinger Colin Whittington
Operator:	JPMorgan Asset Management (UK) Limited 25, Bank Street, Canary Wharf London E145JP United Kingdom
Investment Adviser:	JPMorgan Asset Management (UK) Limited
Accountants:	J.P. Morgan Chase Bank, N.A. 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2 D02 RK57 Ireland
Independent Auditor:	Deloitte LLP Gaspé House, 66-72 Esplanade, St Helier Jersey, JE2 3QT
Legal Adviser:	Allen & Overy LLP One Bishops Square London E1 6AD United Kingdom
Tax Adviser:	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom

8CS Investments LP

General Partner's Report

The Board of Directors of the General Partner present their Annual Report and the Audited Consolidated Financial Statements for the year ended 31 December 2019.

Principal activities

8CS Investments LP (the "Fund Partnership") is an English Qualifying Limited Partnership formed for the purpose of carrying on the business of investing, directly or indirectly, in real estate (including portfolios thereof) and real estate related assets and in particular, but without limitation, to identify, research, negotiate, make and monitor the progress of and sell, realise, exchange or distribute investments including the acquisition, development, management, letting, sale and disposal of investments, including shares, debenture and other securities or interests in holding companies, the making and borrowing of loans whether secure or unsecured to and/or holding companies and other persons and the use of leverage through borrowings. The Fund Partnership may execute, sign, seal, deliver and perform all deeds, contracts and other undertakings and engage in all activities and transactions as may in the opinion of JPMorgan Asset Management (UK) Limited (the "Operator") be necessary or advisable in order to carry out the foregoing purposes.

These Financial Statements are intended for the exclusive use of the partners and have been prepared in accordance with the Limited Partnership Agreement and the requirements of the Companies Act 2006 as applied to qualifying partnerships.

Business Review

Following the sale on 4 December 2014 of its wholly owned subsidiary, Project Maple II B.V. ("Project Maple") the business has focused on settlement of an outstanding purchase price adjustment which was agreed with the purchaser in April 2019. Following settlement, on 29 January 2020, the liquidation of 8CS Holding Sarl (the sole subsidiary) was completed and the company was officially dissolved.

Results, Capital call and Distributions

During the year, the Fund Partnership had a total comprehensive loss of £142,000 (2018: £697,000).

During the year, £360,000 was called from the Limited Partner as Advance contributions (2018: nil).

During the year, £40,000 was called from the Carried Interest Partner which reduced the Carried Interest paid to the Carried Interest Partner in prior years (2018: nil).

During the year, no distributions were made to the limited partner (2018: nil) and no distributions were made to the Carried Interest Partner (2018: nil).

Statement of General Partner's responsibilities

The General Partner is responsible for preparing the General Partner's Report and the Consolidated Financial Statements in accordance with applicable law and the Limited Partnership Agreement.

Companies Act 2006 as applied to qualifying partnerships by the Partnership (Accounts) Regulation 2008 ("Company Law") requires the General Partner to prepare financial statements for each financial year. Under Company Law, the General Partner has prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Fund Partnership's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, 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, IFRS as adopted by the European Union ("EU") have been followed, subject to any material departures and explained in the Financial Statements.

8CS Investments LP

General Partner's Report (continued)

Statement of General Partner's responsibilities (continued)

- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.

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

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Special provisions relating to small limited partnership

The General Partner has taken advantage of the small qualifying partnerships regime's exemption set out in Section 414B of the Companies Act 2006 from preparing a Strategic Report.

Principal Risks and Uncertainty

There are no potential risks or uncertainties, which could have a material impact on the Fund Partnership's performance and could cause actual results to differ materially from expected results. The Fund Partnership's financial risks are detailed in Note 3 of the Consolidated Financial Statements.

Going concern

The Fund Partnership's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the Fund Partnership, its cash flows and liquidity position are set out in the consolidated financial statements. In addition, Note 3 to the consolidated financial statements includes the Fund Partnership's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposures to credit risk, market risk, liquidity risk and other risks. It is the intention of the General Partner to dissolve the Fund Partnership. IAS 1 requires that the financial statements for any entity where its management intends to liquidate it are prepared on a basis other than that of a going concern. Accordingly these consolidated financial statements have been prepared on that basis. Preparation of the consolidated financial statements on an "other than going concern basis" has had no material impact on the amounts reported.

General Partner's interests

The General Partner's interests have been disclosed within Note 8 Related Parties Disclosures.

Subsequent Events

On 29 January 2020, 8CS Holdings Sarl, the sole subsidiary and investment of the Fund Partnership was dissolved.

Recently, the outbreak of the novel coronavirus in many countries continues to adversely impact global commercial activity and has contributed to significant volatility in financial markets. The global impact of the outbreak has been rapidly evolving and many countries have reacted by instituting quarantines and restrictions on travel. Such actions are creating disruption in global supply chains, and adversely impacting a number of industries. The outbreak could have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate adverse impact of the novel coronavirus. Nevertheless, the novel coronavirus presents uncertainty and risk with respect to the Partnership's performance and financial results. The General Partner has reviewed business continuity plans for itself, the operator and service providers and expects the Partnership to be in a position to continue operations until liquidation of the Partnership has taken place.

8CS Investments LP

Auditor

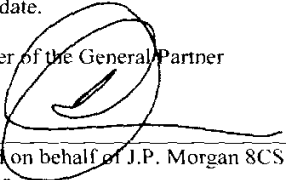
The directors of the General Partner confirm that so far as they are aware, there is no relevant audit information of which the Fund Partnership's auditor is unaware, and they have taken all the steps that they ought to have taken as directors of the General Partner in order to make themselves aware of any relevant audit information and to establish that the Fund Partnership's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

General Partner's responsibilities on presentation of Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position comprises of the LP and Luxembourg Company accounts. The Consolidated Statement of Financial Position comprises of assets and liabilities of 8CS Holding Sarl & LP Fund. The GP has not presented Standalone Statement of Financial Position of the Partnership as required by Section 394: Duty to prepare individual accounts in current and prior year.

The auditor, Deloitte LLP, will cease to act as auditors post the signing of this set of financial statements as the entity intends to liquidate.

By order of the General Partner



For and on behalf of J.P. Morgan 8CS Investments (GP) Limited
Director

9 April 2020
Date

8CS Investments LP

Independent auditor's report to the Limited Partners of 8CS Investments LP (the 'Qualifying Partnership')

Report on the audit of the Consolidated Financial Statements

Opinion

In our opinion the Consolidated Financial Statements of 8CS Investment LP (the 'Qualifying Partnership'):

- give a true and fair view of the state of the Qualifying Partnership's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with Companies Act 2006 as applied to qualifying partnerships.

We have audited the consolidated financial statements which comprise:

- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- the Consolidated Statement of Changes in Net Assets Attributable to Partners;
- the Consolidated Cash Flow Statement; and
- the related Notes 1 to 12.

The financial reporting framework that has been applied in their preparation is the Limited Partnership Agreement ('LPA'), applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 consolidated financial statements section of our report.

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

Emphasis of matter – Consolidated Financial Statements prepared other than on a going concern basis

We draw attention to note 2C in the consolidated financial statements, which indicates that the consolidated financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The General Partner is responsible for the other information. The other information comprises the information included in the General Partner's report, other than the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated 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.

8CS Investments LP

Independent auditor's report to the Limited Partners of 8CS Investments LP (the 'Qualifying Partnership')

Responsibilities of the General Partner

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

In preparing the consolidated 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 directors either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

Report on other legal and regulatory requirements

Opinion 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 General Partner's report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the General Partner's report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

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

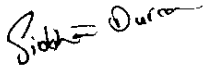
We have nothing to report in respect of these matters.

8CS Investments LP

Independent auditor's report to the Limited Partners of 8CS Investments LP (the 'Qualifying Partnership')

Use of our report

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



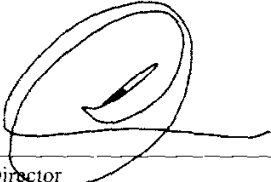
Siobhan Durcan, ACA, FCCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
St Helier
Jersey
9 April 2020

8CS Investments LP

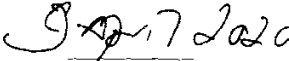
Consolidated Statement of Financial Position As at 31 December 2019

	Notes	31 December 2019 GBP 000	31 December 2018 GBP 000
ASSETS			
Current assets			
Trade and other receivables		-	1
Cash and cash equivalents		143	548
<i>Total current assets</i>		<u>143</u>	<u>549</u>
LIABILITIES			
Current liabilities			
Accrued expenses	4	68	732
Current income tax liabilities		-	-
<i>Total current liabilities</i>		<u>68</u>	<u>732</u>
Total liabilities excluding amounts due to partners		<u>68</u>	<u>732</u>
NET ASSETS / (LIABILITIES) ATTRIBUTABLE TO PARTNERS		<u>75</u>	<u>(183)</u>

The consolidated financial statements from pages 10 to 25 were approved by the General Partner on April 9, 2020 and signed on its behalf by



 Director
 For and on behalf of J.P. Morgan 8CS Investments (GP) Limited



 Date

The accompanying notes form an integral part of these consolidated financial statements.

8CS Investments LP

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 December 2019

	Notes	31 December 2019 GBP 000	31 December 2018 GBP 000
Other operating expenses	6	<u>(141)</u>	<u>(691)</u>
		<u>(141)</u>	<u>(691)</u>
Operating loss		<u>(141)</u>	<u>(691)</u>
Taxation	5	<u>(1)</u>	<u>(6)</u>
Net loss and total comprehensive loss for the year attributable to the partners		<u>(142)</u>	<u>(697)</u>

The accompanying notes form an integral part of these consolidated financial statements.

8CS Investments LP

Consolidated statement of changes in Net Assets Attributable to Partners For the year ended 31 December 2019

	Capital Contributions GBP 000	Advance Contributions GBP 000	Repayment of Advance Contributions GBP 000	Sub Total GBP 000	Retained Earnings GBP 000	Grand Total GBP 000
Balance as at 1 January 2018	16	775,316	(775,316)	16	498	514
Distributions	-	-	-	-	-	-
Net loss and total comprehensive loss attributable to the partners for the year	-	-	-	-	(697)	(697)
Balance as at 31 December 2018	16	775,316	(775,316)	16	(199)	(183)
Balance as at 1 January 2019	16	775,316	(775,316)	16	(199)	(183)
Capital contribution from Partners	-	360	-	360	-	360
Clawback	-	-	-	-	40*	40
Net loss and total comprehensive loss attributable to the partners for the year	-	-	-	-	(142)	(142)
Balance as at 31 December 2019	16	775,676	(775,316)	376	(301)	75
Represented by:						
Net assets attributable to Carried Interest Partner's Capital	8	-	-	8	-	8
Net assets attributable to Limited Partner's Capital	8	775,676	(775,316)	368	(301)	67
Balance as at 31 December 2019	16	775,676	(775,316)	376	(301)	75

* Clawback includes return of carried interest distributions made to the Carried Interest Partner

The accompanying notes form an integral part of these consolidated financial statements.

8CS Investments LP

Consolidated Cash Flow Statement For the year ended 31 December 2019

	Notes	31 December 2019 GBP 000	31 December 2018 GBP 000
Cash flows from operating activities			
Operating loss		(141)	(691)
<i>Adjustments in relation to:</i>			
Changes in working capital	10	(663)	639
Tax paid	5	(1)	(26)
<i>Net cash outflow from operating activities</i>		<u>(805)</u>	<u>(78)</u>
Cash flows from financing activities			
Capital contributions from Limited Partners		360	-
Clawback*		40	-
<i>Net cash flows from financing activities</i>		<u>400</u>	<u>-</u>
Net decrease in cash and cash equivalents		<u>(405)</u>	<u>(78)</u>
Cash and cash equivalents at the beginning of the year		548	626
Cash and cash equivalents as at the end of the year		<u>143</u>	<u>548</u>

* Clawback includes return of carried interest distributions made to the Carried Interest Partner

The accompanying notes form an integral part of these consolidated financial statements.

8CS Investments LP

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019

1. General information

8CS Investments LP (the "Fund Partnership"), was established by a Limited partnership agreement on 23 October 2009. The Fund Partnership has been registered as an English limited partnership under the Limited Partnership Act 1907 on 26 October 2009 with registration number LP13662.

The address of the Fund Partnership's registered office is 60 Victoria Embankment, London EC4Y 0JP.

The Fund Partnership commenced its investment activity in October 2009. The term of the Fund Partnership is the earlier of 25 years from the date of commencement or on the occurrence of certain events.

J.P. Morgan 8CS Investments (GP) Limited (the "General Partner") shall not make any Commitment to the Fund Partnership but shall be entitled to a General Partner's Share.

JPMorgan Asset Management Holdings (UK) Limited (the "Carried Interest Partner") (formerly JPMorgan Investments Limited, who transferred their interest in the Fund Partnership on 30 September 2016) participates in the Fund Partnership and has made a Commitment of GBP 8,000 to the Fund Partnership. The Carried Interest Partner does not pay any part of the General Partner's share or carried interest. Carried interest of nil (2018: nil) was distributed to the Carried Interest Partner during the year ended 31 December 2019. Carried interest asset of GBP 0.00 million (2018: allocated net liability GBP 0.01 million) would be due to the Carried Interest Partner on a liquidation basis as at 31 December 2019.

The purpose of the Fund Partnership is to carry on the business of investing, directly or indirectly, in real estate (including portfolios thereof) and real estate related assets and in particular, but without limitation, to identify, research, negotiate, make and monitor the progress of and sell, realise, exchange or distribute investments including the acquisition, development, management, letting, sale and disposal of investments, including shares, debenture and other securities or interests in holding companies, the making and borrowing of loans whether secure or unsecured to and/or holding companies and other persons and the use of leverage through borrowings. The Fund Partnership may execute, sign, seal, deliver and perform all deeds, contracts and other undertakings and engage in all activities and transactions as may in the opinion of JPMorgan Asset Management (UK) Limited (the "Operator") be necessary or advisable in order to carry out the foregoing purposes.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

A. Basis of preparation

The consolidated financial statements of the Fund Partnership and its subsidiary (together the "Group") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and under the requirements of the Companies Act 2006 as applied to qualifying partnerships. The consolidated financial statements have been prepared on a basis other than that of a going concern.

The preparation of financial statements in conformity with IFRS, as adopted by the EU, requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions or estimates are significant to the consolidated financial statements are disclosed in Note 2K below.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

2. Summary of significant accounting policies (continued)

A. Basis of preparation (continued)

i) Standards and amendments to existing standards for the financial year beginning 1 January 2019

IFRS 16 'Leases' requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The General Partner does not expect the adoption of this standard to have any material impact on these financial statements, as the Fund does not hold any leases.

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

IFRS 23 Uncertainty over Income Tax Treatments

IFRIC 23 clarifies how the recognition and measurement requirements of IAS 12 'Income taxes', are applied where there is uncertainty over income tax treatments.

IFRIC 23 addresses:

- Whether an entity considers uncertain tax treatments separately;
- the assumptions an entity makes about the examination of tax treatments by taxation authorities;
- how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and
- how an entity considers changes in fact and circumstances.

ii) Standards, amendments and interpretations effective for the financial year beginning 1 January 2020 and adopted early

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 January 2020 that have been adopted early.

iii) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2020 and not adopted early

The IASB has adopted the Annual Improvements process to deal efficiently with a collection of narrow scope amendments to IFRSs even though the amendments are unrelated. The IFRS Interpretations Committee reviews the proposed amendments within the annual improvements process and makes recommendations to the IASB before they are issued.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2020, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund Partnership.

The General Partner does not expect the adoption of the standards, amendments and interpretations that are in issue but not yet effective listed above will have a material impact on the Fund Partnership's financial statements in future periods. Beyond the information above, it is not practical to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

B. Basis of consolidation

These Consolidated Financial Statements of the Fund Partnership and the entity controlled by the Fund Partnership (its subsidiary) are made up to 31 December each year. Control is achieved when the Fund Partnership:

- has the power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities);
- is exposed or has rights, to variable return from its involvement with the investee; and

8CS Investments LP

Notes to the Consolidated Financial Statements (continued) For the year ended 31 December 2019

2. Summary of significant accounting policies (continued)

B. Basis of consolidation (continued)

- has the ability to use its power over the investee to affect its returns.

When the Fund Partnership has less than a majority of the voting or similar rights of an investee, the Fund Partnership considers all relevant facts and circumstances in assessing whether it has power over an investee including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Fund Partnership voting rights and potential voting rights.

The Fund Partnership reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consideration of a subsidiary begins when the Fund Partnership obtains control over the subsidiary and ceases when that control is lost.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income and expenses and cash flows relating to transitions between members of the Group are eliminated on consolidation.

C. Going Concern

These consolidated financial statements have been prepared on a basis other than that of a going concern as disclosed in the General Partner's report under Going Concern section. This has no material impact on the amounts and classifications as reported. No accruals have been recognised at year end for the eventual dissolution of the Fund Partnership. It is the intention of the General Partner to dissolve the Fund Partnership. IAS 1 requires that the financial statements for any entity where its management intends to liquidate it are prepared on a basis other than that of a going concern.

D. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The consolidated financial statements are presented in GBP, which is the Fund Partnership's presentation currency.

(b) Transactions and balances

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

When foreign exchange gains or losses on a non-monetary item are recognised directly in equity, the exchange component of that gain or loss shall be recognised directly in equity. Conversely, when foreign exchange gains or losses on a non-monetary item are recognised directly in the consolidated statement of profit or loss and other comprehensive income, the exchange component of that gain or loss shall be recognised in the consolidated statement of profit or loss and other comprehensive income.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

2. Summary of significant accounting policies (continued)

D. Foreign currency translation (continued)

(c) Group's entities

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless exchange rates fluctuate significantly during that period, in which case income and expenses are translated at the exchange rates at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income and accumulated in equity.

E. Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less a provision for doubtful accounts. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified.

F. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, and other short term investments in an active market with original maturities of three months or less and bank overdrafts. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

G. Distributions to Limited Partners

Distributions are made in accordance with the Limited Partnership Agreement dated 10 November 2010. Distributions shall be distributed quarterly or, at the discretion of the Operator, more frequently, after payment of the General Partner's Share, in the following order:

- (i) first, 100% to the Limited Partner until it has received cumulative distributions equal to its Contributions;
- (ii) second, 100% to the Limited Partner until it has received cumulative distributions equal to a preferred return on the amounts distributed above the IRR Hurdle Rate, compounded annually (the Preferred Return);
- (iii) third, 90% to the Limited Partner and 10% to the Carried Interest Partner.

H. Allocation of profits and losses

Net investment income and net realised and changes in unrealised gains are allocated to each partner in accordance with the Limited Partnership Agreement.

The Fund Partnership accounts for carried interest as an appropriation of profit through the capital accounts based on the rules defined in the Limited Partnership Agreement. Where an unrealised revaluation gain is recognised, the gain is allocated between the partners as if the unrealised amount had been realised as at year end. Accordingly, the partners' capital balances will equal the proceeds that each partner would receive if the Fund Partnership was to realise its portfolio as of the year end. Amounts ultimately distributed to the partners may be different given the inherent uncertainties of the fair valuation of the investment portfolio.

The General Partner called £40,000 from the Carried Interest Partner which reduced the Carried Interest paid to the Carried Interest Partner in prior years (2018: nil) and distributed nil (2018: nil) to the Carried Interest Partner during the year ended 31 December 2019. As at 31 December 2019, the General Partner has allocated net asset £0.00 million (2018: allocated net liability £0.01 million) to the Carried Interest Partner calculated and recorded as if the Fund Partnership had realised all assets and liabilities at their reported fair values which is arrived at net assets £0.09 million (2018: allocated net liabilities £0.18 million), allocated all gains and losses and distributed the resulting net liabilities to the Limited Partner and the Carried Interest Partner at year end.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

2. Summary of significant accounting policies (continued)

I. Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

J. Revenue and expense recognition

Revenue includes rental income, service charges and management charges from properties, and income from property trading.

Interest income

Interest income is recognised using the effective interest rate method. Interest income (if any) is included in finance income in the consolidated statement of profit and loss and other comprehensive income.

Expenses

Expenses are recognised within the period in which they are incurred and included under other operating expenses in the consolidated statement of profit and loss and other comprehensive income. No accruals have been recognised at year end for the classification of the Fund Partnership.

K. Use of significant accounting estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, expenses and unrealised gains or losses during the reporting period. Actual results could differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors. These include expectations of future events that are believed to be reasonable under the circumstances.

The Fund Partnership's makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgment is required in determining the Group's provisions for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

3. Financial risk management

A. Financial risk factors

An investment in the Fund Partnership involves certain risks relating to the Group's structure and to its investment policy. Where possible the Fund Partnership and its advisers will take the necessary actions to mitigate these risks.

The Group's activities expose it to a variety of financial risks: market risk (including price risk, cash flow and fair value interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group may use derivative financial instruments to moderate certain risk exposures (not currently in use).

The Fund Partnership's objective is to seek rental income and capital appreciation by investing in real estate and real estate-related assets in the target markets. The investment property was sold in December 2014.

3.1 Market risk

(a) Price risk

The Group is not exposed to property price and property rental risk since the sale of the investment property.

(b) Cash flow and fair value Interest rate risk

The Group's interest bearing financial assets and liabilities exposes it to risks associated with effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The following table summarises the Group's exposure to interest rate risk. It includes the Group's assets and liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates. The General Partner considers the carrying value of the assets and liabilities is approximately equal to fair value.

At 31 December 2019	Less than 3 months GBP 000	3 months to 1 year GBP 000	1 to 5 years GBP 000	Over 5 years GBP 000	Non interest bearing GBP 000	Total GBP 000
ASSETS						
Cash and cash equivalents	143	-	-	-	-	143
Total assets	143	-	-	-	-	143
LIABILITIES						
Accrued expenses	-	-	-	-	68	68
Total liabilities (excluding net asset attributable to Partners)	-	-	-	-	68	68
Net assets attributable to Partners	143	-	-	-	(68)	75
Total equity and liabilities	143	-	-	-	-	143

8CS Investments LP

Notes to the Consolidated Financial Statements (continued) For the year ended 31 December 2019

K. Use of significant accounting estimates (continued)

3.1 Market risk (continued)

At 31 December 2018	Less than 3 months GBP 000	3 months to 1 year GBP 000	1 to 5 years GBP 000	Over 5 years GBP 000	Non interest bearing GBP 000	Total GBP 000
ASSETS						
Trade and other receivables	-	-	-	-	1	1
Cash and cash equivalents	548	-	-	-	-	548
Total assets	548	-	-	-	1	549
LIABILITIES						
Accrued expenses	-	-	-	-	732	732
Total liabilities (excluding net asset attributable to Partners)	-	-	-	-	732	732
Net assets attributable to Partners	548	-	-	-	(731)	(183)
Total equity and liabilities	548	-	-	-	1	549

The cash component is held on demand earning a minimal interest return. As such, the Group had no significant interest rate risk exposure in the current and prior years and therefore no sensitivity analysis has been presented.

(c) Foreign exchange risk

The Group may invest in target markets in which the GBP is not the local currency. Where it is appropriate to do so, the Investment Adviser may cause the Group to enter into hedging transactions in relation to the currency risk in connection with an investment. These transactions will not be entered into for speculative purposes.

Where hedging is deemed appropriate to reduce currency risk for the Group, the Operator, or any affiliate of the Operator, acting as investment adviser to the Operator will evaluate and seek to purchase the most cost effective instrument available at the time. In some instances either (i) it may not be cost effective to enter into such transaction or (ii) the anticipated hold period for an investment may be relatively short, in which case this risk arising from such investment will remain and the risk will be taken into account.

It is impossible to reduce currency risk precisely where the magnitude and timing of future cash flows are not known with certainty. Therefore, the Group's policy will serve to reduce, but will not eliminate all the risks of currency or interest rate fluctuations.

The Group had no significant foreign exchange risk exposure in the current and prior years and therefore no sensitivity analysis has been presented.

The Group does not apply hedge accounting as per IFRS 9.

On acquisition, the exchange rate risk of each acquisition is reviewed and approved by the Operator. Any changes in the exposure will be discussed with the Operator and necessary action considered.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

3. Financial risk management (continued)

A. Financial risk factors (continued)

3.2 Credit risk

Credit risk arises from cash and cash equivalents. Excess cash is held in short term cash accounts. Cash transactions are limited to high-credit-quality financial institutions.

As of 31 December 2019, the Group had no credit risk arising from the real estate investments. The trade and other receivables outstanding as of that date have been incurred in the normal course of the Group activities.

Management reviews bad debts on a regular basis and believes that there is no significant credit risk to the Group. The maximum exposure of credit risk is limited to the carrying amount of financial assets recognised.

3.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market conditions.

The table below summarises the Group's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

At 31 December 2019	Less than 3 months GBP 000	3 months to 1 year GBP 000	1 to 2 years GBP 000	2 to 5 years GBP 000	Over 5 years GBP 000	Total GBP 000
LIABILITIES						
Accrued expenses	72	-	-	-	-	72
Current income tax liabilities	-	-	-	-	-	-
Total liabilities	72	-	-	-	-	72
At 31 December 2018						
LIABILITIES						
Accrued expenses	732	-	-	-	-	732
Current income tax liabilities	-	-	-	-	-	-
Total liabilities	732	-	-	-	-	732

The Group has no significant liquidity risk. There is a significant cash balance in hand. The level of activity and outgoings during the year are low.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued) For the year ended 31 December 2019

3. Financial risk management (continued)

B. Fair value estimation

The Fund Partnership has adopted IFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. 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. This requires the Fund Partnership to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

Level 1

Quoted price (unadjusted) 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 (that is, as prices) or indirectly (that is, derived from prices).

Level 3

Inputs for asset or liability that are not based on observable market data (that is, unobservable inputs).

The value of the investment property sold by the Group in 2014 was determined based on the market comparable approach that reflects recent transaction prices for similar properties. As such, it was classified as a level 3 investment.

C. Capital risk management

For the purpose of this section, capital means capital contributions.

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for Partners to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group will normally call additional capital from Partners' commitments.

The Group is not subject to any external imposed capital requirements.

4. Accrued expenses

	31 December 2019 GBP 000	31 December 2018 GBP 000
Accrued accounting fees	3	3
Accrued audit fees	15	15
Accrued other expenses	50	714
	<u>68</u>	<u>732</u>

5. Taxation

Income Tax

Income taxes are calculated based on the tax rates in the countries where the Group has operations, taking into account tax-exempt income and tax losses carried forward.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

5. Taxation (continued)

The Fund Partnership is income tax transparent for the purposes of UK taxation.

	31 December 2019 GBP 000	31 December 2018 GBP 000
Tax charge		
Luxembourg tax	1	6
	<u>1</u>	<u>6</u>

6. Other operating expenses

	Notes	31 December 2019 GBP 000	31 December 2018 GBP 000
Audit fees		15	15
Non-audit fees – provision of tax services		26	33
Accounting fees		10	10
Other professional fees		84	42
Other operating expenses		6	591
		<u>141</u>	<u>691</u>

7. Partners' contributions and commitments

At balance sheet date, the total commitments, undrawn advance commitments and net contributions were as follows:

	31 December 2019 GBP 000	31 December 2018 GBP 000
Total Commitments	780,212	780,212
Advance Contributions	(775,692)	(775,332)
Undrawn Commitments	<u>4,520</u>	<u>4,880</u>
	31 December 2019 GBP 000	31 December 2018 GBP 000
Contributions from the Limited Partner	775,684	775,324
Repayment of Contributions to the Limited Partner	(775,316)	(775,316)
Net Contributions from the Limited Partner	<u>368</u>	<u>8</u>

The Carried Interest Partner has a fully drawdown commitment of GBP 8,000 (2018: GBP 8,000) to the Fund Partnership and the Limited Partner has a commitment of GBP 780,203,750 (2018: GBP 780,203,750).

The Limited Partner's commitment consists of a capital contribution and an advance contribution.

During the year ended 31 December 2019, GBP 360,000 was called from the Limited Partner as Advance contributions (2018: nil).

Advance contributions were repaid quarterly to the Limited Partner from rental income generated from the investment property and were fully repaid in December 2014 from the sale of the investment property.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued) For the year ended 31 December 2019

7. Partners' contributions and commitments (continued)

The capital commitment is equal to 0.001% of the Limited Partner's commitment and GBP 8,000 in respect to the Carried Interest Partner. Each Partner contributed the full amount of its capital commitment on the date on which it was admitted to The Fund Partnership. The Fund Partnership may not return capital contributions until the end of the life of the Fund Partnership.

The advance contribution is equal to 99.999% of the Limited Partner's commitment and nil in respect to the Carried Interest Partner's commitment.

8. Related party disclosures

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.

The General Partner, the Operator, the Investment Adviser, the Carried Interest Partner and the Accountants are related parties as they are subsidiaries or affiliates of JPMorgan Chase & Co.

Under the terms of the Limited Partnership Agreement, the Partnership appointed JPMorgan Asset Management (UK) Limited as Operator to provide management services to the Fund Partnership.

General Partner's Share

In respect of the period commencing on 1 December 2009 and continuing thereafter until 30 June 2012, the General Partner was entitled to receive, in respect of each accounting period, an amount equal to GBP 2,124,375 per annum. Effective from 1 July 2012, the General Partner's share was reduced to GBP 1,911,938 per annum as detailed in the Deed of Amendment dated 16 November 2012.

The General Partner's Share was waived from 1 July 2015 and no further amounts have been accrued

No General Partner's Share is paid in respect of Commitments made by the Carried Interest Partner.

Accounting services

The Group has contracted J.P. Morgan Chase Bank, N.A., Dublin, Ireland Branch under the Administration Agreement dated 18 February 2010, for the later to provide accounting services. The Group incurred GBP 10,000 (2018: GBP 10,000) expense relating to these accounting services. The amounts payable at the balance sheet date were GBP 2,500 (2018: GBP 2,500).

Carried Interest

The Carried Interest Partner is entitled to receive carried interest as per the Limited Partnership Agreement (see Note 2G for distribution policy). During the year, £40,000 was called from the Carried Interest Partner which reduced the Carried Interest paid to the Carried Interest Partner in prior years (2018: nil). During the year ended 31 December 2019, the Fund Partnership had distributed nil (2018: nil) to the Carried Interest Partner. As at 31 December 2019, the General Partner had allocated asset GBP 0.00 million (2018: allocated liability GBP 0.01 million) to the Carried Interest Partner. This allocation was calculated and recorded as if the Fund Partnership was to realise its remaining net assets at year end.

9. Consolidation scope

8CS Holdings Sarl, a holding company registered in Luxembourg, is the sole wholly owned subsidiary included in the scope of consolidation as at 31 December 2019.

8CS Investments LP

Notes to the Consolidated Financial Statements (continued)

For the year ended 31 December 2019

10. Changes in working capital

	Balance as at 31 December 2019 GBP 000	Balance as at 31 December 2018 GBP 000	Change in working capital GBP 000
Accounts Receivable	-	(1)	1
Accrued audit fees	15	15	-
Accrued accounting fees	3	3	-
Accrued other expenses	50	714	(664)
			<u>(663)</u>

	Balance as at 31 December 2018 GBP 000	Balance as at 31 December 2017 GBP 000	Change in working capital GBP 000
Accounts Receivable	(1)	(1)	-
Accrued audit fees	15	15	-
Accrued accounting fees	3	3	-
Accrued other expenses	714	75	639
			<u>639</u>

11. Ultimate controlling party

In the opinion of the directors of the General Partner, the National Pension Service of Korea is the ultimate controlling party to the Group.

12. Subsequent events

On 29 January 2020, the Fund Partnership's sole subsidiary and investment, 8CS Holdings Sarl, was liquidated.

On January 30, 2020, the World Health Organisation declared the coronavirus (COVID-19) to be a public health emergency. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19. The ultimate impact of the COVID-19 pandemic is highly uncertain and the full extent of the economic impacts on the global economy as a whole is as yet unknown.

Given the emergence and spread of COVID-19 occurred in 2020, it is not considered relevant to conditions that existed at the balance sheet date. Consequently COVID-19 is considered to be a non-adjusting post balance sheet event. The measurement of assets and liabilities in the accounts has not been adjusted for its potential impact. The impact of COVID-19 is not expected to impact on the Partnership however the General Partner will continue to monitor the situation.