CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY

(Registration number – 644846)

Annual Report and Audited Financial Statements

For the Period 1 March 2019 (Date of Incorporation) to 31 December 2019

Contents

Directors and Other Information

Directors:
Tyrone Chang (nationality: American – U.S. resident)*
Jake Garmey (nationality: American – U.S. resident)*
Teddy Otto (nationality: Irish – Irish resident)*
Neil Clifford (nationality: Irish – Irish resident)*

*Non-executive Directors

Independent Auditor:
Ernst & Young
Ernst & Young Building
Harcourt Centre
Harcourt Street
Dublin 2, Ireland

AIFM:
Carne Global Fund Managers (Ireland) Limited (the "AIFM")
2nd Floor, Block E
Iveagh Court
Harcourt Road
Dublin 2
Ireland

Trustee & Depositary:
Bank of New York Mellon SA/NV, Dublin Branch
Riverside Two,
Sir John Rogerson's Quay,
Grand Canal Dock
Dublin 2
Ireland

Administrator:
SS&C Financial Services (Ireland) Limited
La Touche House
International Financial Services Centre
Dublin 1
Ireland

Investment Manager:
Crescent Private Credit Partners Management LLC
11100 Santa Monica Boulevard, Suite 2000
Los Angeles
CA 90025
USA

Company Secretary & Registered Office:
Carne Global Financial Services Limited
2nd Floor, Block E
Iveagh Court
Harcourt Road
Dublin 2

Legal Advisers as to US Law:
Dechert LLP
1095 Avenue of the Americas
New York,
NY 10036
USA

Legal Advisers as to Irish Law:
Dechert
3 George's Dock
IFSC
Dublin 1
Ireland

Directors' Report

Report of the Directors
The Directors present the annual report together with the audited financial statements for CPCP Unitranche TE Blocker Designated Activity Company (the "Company") for the period ended 31 December 2019.

Principal Activities and Overview of the Business
CPCP Unitranche TE Blocker Designated Activity Company (the "Company") is a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended) and was incorporated on 1 March 2019 in Ireland under the Companies Act 2014 and commenced operations on 17 June 2019. The registered number is 644846.

The Company is wholly owned by Carne International Limited for the benefit of the Cayman Feeder Fund through which investment in the Partnership will be made on behalf of the Cayman Feeder Fund. The ordinary shares of the Company are held by Carne International Limited on trust on behalf of the Cayman Feeder Fund and all of the assets and investments acquired by the Company will be held by the Carne International Limited or its duly appointed agent.

The profit participating notes are issued to Crescent Private Credit Partners Unitranche Fund TE (Cayman) LP (the "Cayman Feeder Fund") and Crescent Private Credit Partners Unitranche Note Feeder LP (the "Note Feeder Fund") pursuant to a Deed of Amendment and Release dated 1 April 2019 and held subject to benefit of provision which shall be binding on the Company, as the issuer and the notes holder. Refer to Note 8 to the financial statements for the movement in value of profit participating notes. The profit participating notes are listed on the International Stock Exchange Guernsey.

The investment objective of the Company is to generate high current income while preserving investors' capital by investing up to 100 per cent of its net assets into Cayman Islands exempted limited partnerships, CPCP Unitranche Aggregator (the "Partnership"). The Partnership make investments primarily in senior secured loans of private U.S. lower-middle-market companies that are, in many cases, controlled by private equity investment firms.

Principal Risks and Uncertainties
The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The principal uncertainty the company faces currently is in relation to COVID-19. See Going Concern Section for further detail relating to COVID-19. The principal risks and uncertainties of the Company are limited to those aforementioned.

Results and Future Developments
The results of operations are set out on page 11 which provide a fair review of business operations and results; the net unrealised gain on investments, which the Company consider to be the key performance indicator, has been driven by the positive performance of the Investment Partnerships. The Directors intend to continue to develop the activities of the Company.

Dividend Policy
There were no dividends paid or proposed during the financial period.

Directors, Secretary and Other Interests
Listed below are the Directors who held office during the period.

Teddy Otto
Neil Clifford
Tyrone Chang
Jake Garmey

Directors’ Report (Continued)

Directors, Secretary and Other Interests (continued)

Listed below is the Secretary appointed during the period.

Carne Global Financial Services Limited

Accounting Records
The Directors believe that they have complied with the requirements of Section 281 to Section 285 of the Companies Act 2014; adequate accounting records are kept by appointing an administrator with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at the offices of the Administrator, SS&C Financial Services (Ireland) Limited, La Touché House, International Financial Services Centre, Dublin 1, Ireland. The measures taken by the Directors to secure compliance with the Company’s obligation to keep adequate accounting records include the use of appropriate systems and procedures and the delegation to the Administrator, SS&C Financial Services (Ireland) Limited.

Political donations
No political donations were made during the period.

Statement of Directors’ Responsibilities in respect of the Annual Report and the Financial Statements
The Directors are responsible for preparing the annual report and financial statements, in accordance with Irish law and regulations.

Irish law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

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 assets, liabilities and financial position of the company at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act of 2014.

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 the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and reasons for any material departures from those standards; 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 and causing to be kept adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act of 2014 and enable those financial statements to be audited.

Directors' Report (Continued)

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements (Continued)

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.

The financial statements conform to the aforementioned requirements.

Going Concern
We have considered the impact that COVID-19 may have over the going concern assumption of the Company. Given the nature of the Company, adequate investment income to cover the operating expenses and sufficient unfunded capital commitment from the investors, the Directors have concluded that the impact of any market volatility due to COVID-19 on the on-going going concern assumption of the Company will be minimal. Considering this, the Directors have concluded that the impact of COVID-19 does not represent a material uncertainty in relation to the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on going concern basis.

Subsequent events after year end
Note 12 discloses the significant events subsequent to December 31,2019; no other significant events have occurred since the year end which would require adjustment to or disclosure in the financial statements.

Audit Information
There is no relevant audit information of which the statutory auditors are unaware. The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Independent Auditor
Ernst & Young, Chartered accountants and Statutory audit firm, have been appointed during the year in accordance with section 382(1) of the Companies Act, 2014.

Research and development
No research and development activities were carried out during the year.

Approved and authorised for issue on behalf of the board of Directors

Neil Clifford

Director: Teddy Otto

Date: 24 June 2020

Director: Neil Clifford

Date: 24 June 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY

Opinion

We have audited the financial statements of CPCP Unitranche TE Blocker Designated Activity Company (the 'Company') for the period ended 31 December 2019, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in Note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its profit for the period then ended; and
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard as applied to listed companies issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 have nothing to report in respect of the following matters, in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY (Continued)

Key audit matters (continued)

Risk	Our response to the risk	Key observations communicated to the Board of Directors
Management override of controls in relation to valuation of Investments. **Investment in CPCP Unitranche Aggregator LP at Fair Value: $12,012,009** This Company invests in an investment partnership which ultimately invests into a portfolio of loan assets. The audit team has identified a risk of management override of controls over the valuation of the loan assets. This is primarily as a result of the use of complex assumptions and judgements in the valuation of the loan assets. The impact of an inappropriate valuation of the loan assets may result in misstatement of both the financial assets and liabilities of the Company. Refer to Notes 3, 4, and 5 in the financial statements.	We have performed the following procedures in response to the identified risk: • Assessed the design effectiveness of the Company's controls over the valuation of investments carried at FVTPL, including appropriate governance procedures and reporting over the valuation of financial instruments. • Assessed the appropriateness of accounting policies governing the valuation of investments carried at FVTPL. • Tested the valuation of investment using independent models and market data. Where Company data was relied upon we assessed reasonableness of the data used. • Assessed the reasonability of the inputs used and assumptions made in the valuation of investments.	Our planned audit procedures were completed and no material exceptions were noted.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY (Continued)

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

Materiality is the magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be $240,165 which equates to 2% of the Noteholder's liability of the Company. We believe that noteholder's liability provides us with the most appropriate basis for materiality having considered the expectation of the users of the financial statements and the overall business environment.

During the course of our audit, we reassessed initial materiality and concluded that our initial determination of materiality was still appropriate.

Performance materiality

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments as well as noting this is a new listed entity for the current period, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely $120,083. We have set performance materiality at this percentage based on our knowledge of the entity and industry, effectiveness of the control environment, our assessment of the risks associated with the engagement.

Reporting threshold

Reporting threshold is the amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board of Directors that we would report to them all uncorrected audit differences in excess of $12,008, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

An overview of the scope of our audit report

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. Taken together, this enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of entity-wide controls, including controls and changes in the business environment and other factors such as controls within the administrator when assessing the level of work to be performed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY (Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' report. 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 this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Opinions on other matters prescribed by the Companies Act 2014

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPCP UNITRANCHE TE BLOCKER DESIGNATED ACTIVITY COMPANY (Continued)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5 and 6, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

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

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Ramakrishnan R

Ramakrishnan Ramanathan
For and on behalf of
Ernst & Young
Chartered Accountants and Statutory Audit Firm
Dublin
Date: 29 June 2020

Statement of Financial Position
As at 31 December 2019

	Note		31 December 2019
ASSETS			
Non-Current Assets			
Investment in CPCP Unitranche Aggregator LP at Fair Value	4,5	$	12,012,009
Current Assets			
Receivable from Affiliates	3		2,396,320
Deferred Credit Facility Fees	3		53,078
Receivable from Shareholder	9		1
Total Assets		$	14,461,408
LIABILITIES			
Non-Current Liabilities			
Profit Participating Note at fair value	8	$	12,008,259
Current Liabilities			
Cost of Credit Facility Payable		$	2,449,398
Corporation Tax Payable	10		938
Total Current Liabilities			2,450,336
Total Liabilities		$	14,458,595
EQUITY			
Share Capital	9	$	1
Retained Earnings			2,813
Total Equity			2,814
Total Equity and Liabilities		$	14,461,408

These financial statements were approved by the Board of Directors and authorised for issue on 24 June 2020

Neil Clifford

Director: Teddy Otto

Director: Neil Clifford

The accompanying notes are an integral part of these audited financial statements

Statement of Comprehensive Income
For the period ended 31 December 2019

	Note	1 March 2019* to 31 December 2019
INCOME		
Net Unrealised Gain from Investment in CPCP Unitranche Aggregator LP at Fair Value through Profit or Loss	2,4	$ 3,410
Total Operating Profit		3,410
OPERATING PROFIT		3,410
(Loss)/gain on profit participating notes holder's liability	8	340
PROFIT BEFORE CORPORATION TAX		3,750
Corporation tax	10	938
PROFIT FOR THE PERIOD		2,813
Other Comprehensive Income/Expense		-
TOTAL COMPREHENSIVE INCOME/EXPENSE		$ 2,813

All income and expenses arose from continuing operations. The Company has adopted a single statement of comprehensive income.

*Date of Incorporation

The accompanying notes are an integral part of these audited financial statements

Statement of Changes in Equity
For the period ended 31 December 2019

	Note	Share Capital	Retained Earnings	Total Equity
Balance at 1 March 2019*		$ -	$ -	$ -
Total comprehensive gain for the period		-	2,813	2,813
Shares Issued	9	1	-	1
Balance at 31 December 2019		$ 1	$ 2,813	$ 2,814

*Date of Incorporation

The accompanying notes are an integral part of these audited financial statements

Statement of Cash Flows
For the period ended 31 December 2019

	Note		1 March 2019* to 31 December 2019
Profit Before Corporation Tax		$	3,750
Adjustments to reconcile Total Comprehensive Income/Expense to Net Cash Provided By/Used In Operating Activities			
Net Unrealised Gain from Investments at Fair Value through Profit and Loss			(3,410)
Net Change in Receivable from Affiliates	3		(2,396,320)
Net Change in Deferred Credit Facility Fees	3		(53,078)
Net Change in Cost of Credit Facility Payable	3		2,449,398
Net Change in Receivable from Shareholder	9		(1)
Corporation Tax Paid	10		-
Net Change in loss/(gain) on profit participating notes holder's liability	8		(340)
Net Cash Used in Operating Activities			**(1)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of investments			(12,008,599)
Net Cash Used In Investing Activities			(12,008,599)
CASH FLOWS FROM FINANCING ACTIVITIES			
Drawdowns of Profit Participating Note	8		12,008,599
Shares Issued			1
Net Cash Provided By Financing Activities			12,008,600
NET INCREASE IN CASH AND CASH EQUIVALENTS			-
CASH AND CASH EQUIVALENTS AT INCEPTION			-
CASH AND CASH EQUIVALENTS AT END OF YEAR		$	-

*Date of Incorporation

The accompanying notes are an integral part of these audited financial statements

Notes to the Financial Statements

General Information
CPCP Unitranche TE Blocker Designated Activity Company (the "Company") 2nd Floor, Block E, Iveagh Court Harcourt Road, Dublin 2 Ireland, is a qualifying company within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended) and was incorporated on 1 March 2019 in Ireland under the Companies Act 2014. The registered number is 644846.

The Company invests all of its assets in the CPCP Unitranche Aggregator LP (the "Partnership"). The investment objective of the Company is the same as the investment objective of the Partnership, which is to generate high current income while preserving investors' capital.

The capital of the Company is committed by its limited partners (the "Limited Partners") for a duration with no redemption options. The Limited Partners have committed amounts of capital that can be called by the Company therefore the structure of the company is closed-end in nature.

Carne International Limited is regulated by the Alternative Investment Fund Managers Directive (the "Directive"), a European Directive which seeks to reduce potential systemic risk by regulating Alternative Investment Fund Managers ("AIFMs"), is the sole shareholder of the Company. Refer to Note 9 for further details.

The Company has issued Profit Participating Notes to Crescent Private Credit Partners Unitranche Fund TE (Cayman) LP (the "Cayman Feeder") and Crescent Private Credit Partners Unitranche Note Feeder LP (the "Note Feeder") pursuant to a Securities Purchase Agreement dated 1 April 2019 among the Company as the issuer and BNY Mellon Trust Company (Ireland) Limited as the depositary. The Profit Participating Notes do not bear a stated interest rate but rather will accrue interest based on the accumulated net profits of the Company. Substantially, all of the profits of the Company will accrue as interest expense for the Profit Participating Notes.

The Company had no employees during the period ended 31 December 2019.

1. Summary of significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and Irish Statute comprising the Companies Act 2014.

(b) Basis of preparation and non-consolidation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and the have been properly prepared in accordance with the Companies Act 2014.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the financial year. Actual results could differ from those estimates.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(b) Basis of preparation and non-consolidation (continued)

There were no significant areas of uncertainty or judgement in applying accounting policies except for the estimation of the fair values of the Company's financial instruments as set out below and in Note 4.

The financial statements have been prepared under the historical cost convention, except for financial instruments, which are measured at fair value. The financial statements are presented in US dollars ($).

All references to net assets throughout this document refer to net assets attributable to partners unless otherwise stated.

(c) Structured Entities

The Company has assessed whether the Partnership in which it invests should be classified as a structured entity. The Company has considered the voting rights and other factors including the rights to redeem holdings. The Company has concluded as to whether these rights are the dominant factor in controlling the subsidiary, or whether the contractual agreement with the Partnership is the dominant factor.

The Company concluded that the Company and the Partnership are structured entities, as the relevant activities are directed by means of the contractual agreement rather than the voting rights or other similar rights.

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

There are no standards or amendments that would have any impact on the Company's financial statements or performance.

(e) Standards, amendments and interpretations in issue that are not yet effective and have not been early adopted

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

(f) Foreign currency

(i) Functional and presentation currency
The financial statements of the Company are presented in United States Dollars ("USD"), which reflects the fact that the Company's investments are typically denominated in USD.

(ii) Foreign currency translation
Monetary assets and liabilities denominated in foreign currencies have been translated at the rates of exchange prevailing at the period end. Transactions in foreign currencies are translated into USD at exchange rates ruling at the transaction dates. Gains and losses on foreign exchange transactions are recognised in the Statement of Comprehensive Income in determining the result for the period.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand together with short term, highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value and with original maturities of three months or less.

(h) Taxation

The corporation tax expense comprises current and deferred tax. Corporation tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustments to tax payable in respect of previous years.

Deferred tax is provided for on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following: temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefits will be realised.

(i) Expenses

During the period the Investment Partnership paid the expenses on behalf of the Company. All expenses of the structure are allocated to each entity by their respective commitment percentages. Expenses paid by the Investment Partnership are not reimbursable by the Company.

(j) Profit Participating Notes

The profit participating notes are designated as financial liabilities at fair value through profit and loss. A liability may be designated at fair value through profit or loss when it eliminates or significantly reduces a measurement or recognition inconsistency, "an accounting mismatch" that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on a different basis. Where an accounting mismatch would otherwise exist, financial liabilities are measured at fair value through profit or loss.

The Directors consider that adoption of the IFRS 9 option to fair value liabilities is required to give a true and fair view of the financial performance of the issuer.

The Company will pay interest at such times as it may from time to time in its absolute discretion determine, after giving a notice of not less than one business day to profit participating notes security holders.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors of the Company are required to make judgements, estimates and assumptions about the fair value of assets and liabilities. 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 underlying 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 current and future periods.

The following are the critical judgements, apart from those involving estimates, that the Directors of the Company have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The Company invests all of its assets (after deduction of the costs of administration fees and other operational costs) in the Partnership, the NAV of which is calculated on a quarterly basis by the Administrator. The investment in the Partnership is stated at its fair value based on the reported NAV of the Partnership as determined by its administrator.

Key considerations regarding which entities qualify as subsidiaries

Under IFRS 10 – Consolidated Financial Statements ("IFRS 10"), an investor controls an investee, and that investee is therefore a subsidiary, when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. This definition of control reflects that an investor can achieve power over an investee in many ways, not just through governing financial and operating policies.

An investor must therefore assess whether it has rights to direct the relevant activities of the investee and therefore assess whether or not that investee is a subsidiary. Although exposure to risks and rewards is an indicator of control, it is not the sole focus. That is, to determine whether it controls an investee an investor shall assess whether it has all the following:

a. power over the investee;
b. exposure, or rights, to variable returns from its involvement with the investee; and
c. the ability to use its power over the investee to affect the amount of the investor's returns.

When assessing control of an investee, an investor shall consider the nature of its relationship with other parties.

In deciding whether any of the investments held by the entity satisfy the definition of a subsidiary, the Directors considered the requirements of IFRS 10, as detailed below, and concluded that the Company through its voting rights has the ability to exercise control over any investee it has classified as a subsidiary.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(k) Critical accounting judgements and key sources of estimation uncertainty (continued)

Key considerations regarding the Company's "Investment entity" status

In deciding that the Company qualifies as an investment entity, the Directors considered whether or not the entity displayed the Company's business purpose, design and following characteristics:

IFRS 10 defines an investment entity as an entity that:

i) obtains funds from one or more investors for the purpose of providing those investor(s) with professional investment management services;
ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both, and
iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

Further, IFRS 10 notes that an investment entity displays the following characteristics:

i) It has more than one investment, to diversify the risk portfolio and maximize returns;
ii) It has multiple investors, who pool their funds to maximise investment opportunities;
iii) It has investors that are not related parties of the entity, and
iv) It has ownership interests in the form of equity or similar interests.

The main objective of the Company is to invest primarily in senior secured loans of private U.S. lower-middle-market companies that are controlled by private equity investment firms.

In summary, the Company is a Special Purpose Vehicle structured similar to a typical master feeder fund whose business purpose is to generate investment income on the capital it has raised from the ultimate beneficial owners.

Under IFRS 10, an entity may still qualify as an investment entity even if the significant ownership interests are in the form of debt, provided that the debt holders are exposed to variable return, from changes in the fair value of the entity's net assets, which is the case in the Company as the return is based on income and gains of the Company generated from the underlying assets less losses and operating expenses. The structure of the Company operates such that all the risks and rewards are transferred to the Noteholders which is ultimately the beneficial owners.

Accordingly, given the Company qualifies as an investment entity, the Company has not consolidated its subsidiary investments but rather accounted for them at fair value through profit or loss in accordance with "IFRS 9 – Financial Instruments: Recognition and Measurement".

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(l) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

(i) Classification

The Company invests solely in the Investment Partnership. The Company classifies its investments in the Investment Partnership as financial assets at fair value through profit or loss upon initial recognition, in accordance with IFRS 9.

Financial assets designated at fair value through profit or loss upon initial recognition are those that are managed and their performance evaluated on a fair value basis.

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets

The Company classifies its financial assets as subsequently measured at fair value through profit or loss on the basis of both:

i) The entity's business model for managing the financial assets; and
ii) The contractual cash flow characteristics of the financial asset.

Financial assets measured at FVTPL

Under IFRS 9, a financial asset is measured at fair value through profit or loss if:

i) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
ii) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
iii) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial liabilities measured at FVTPL

Under IFRS 9, a financial liability is measured at FVTPL if it meets the definition of held for trading. The Company includes in this category, Notes issued and designated at FVTPL.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(l) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category, other payables and interest accrued on Notes.

(ii) Recognition

Financial assets at fair value through profit or loss are recognised when the Company becomes party to the contractual provisions of the instrument being the trade date.

(iii) Measurement

At initial recognition financial assets are measured at fair value. Transaction costs on financial assets at fair value through profit and loss are expensed as incurred in the Statement of Comprehensive Income.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in their fair value are included in the Statement of Comprehensive Income for the period in which they arise. The investment in the Investment Partnership is stated at its fair value based on the reported Net Asset Value ("NAV") of the Investment Partnership. Fair value of the Investment Partnerships is allocated to the Company pro-rata based on the capital commitments of the Company.

(iv) Derecognition

The Investment Partnership derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

Liabilities for the structure are borne at the Investment Partnerships and allocated amongst the entities of the structure pro rata based on committed capital of the entities.

(v) Realised gains and losses

Realised gains and losses on derecognition are determined using the weighted average method and are included in the Statement of Comprehensive Income for the period in which they arise.

(vi) Impairment

The Company holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost cash as per Note 3, as such, has chosen to apply an approach similar to the simplified approach for ECL under IFRS 9 to all its trade receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Notes to the Financial Statements (Continued)

1. Summary of significant accounting policies (continued)

(m) Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

There is no offsetting agreement in place, therefore, no offsetting of assets and liabilities occurred as at 31 December 2019.

(n) Going Concern

We have considered the impact that COVID-19 may have over the going concern assumption of the Company. Given the nature of the Company, adequate investment income to cover the operating expenses and sufficient unfunded capital commitment from the investors, the Directors have concluded that the impact of any market volatility due to COVID-19 on the on-going going concern assumption of the Company will be minimal. Considering this, the Directors have concluded that the impact of COVID-19 does not represent a material uncertainty in relation to the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on going concern basis.

2. Net gain and loss on financial assets and liabilities at fair value through profit or loss:

Net gain and loss on financial assets at fair value through profit and loss		**2019**
Net change in unrealised loss on financial assets at fair value through profit or loss	$	(340)

Net gain and loss on financial liabilities at fair value through profit and loss		**2019**
Net change in unrealised gain on financial liabilities at fair value through profit or loss	$	(340)

3. Financial Risks

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, and price risk), credit risk and liquidity risk.

Notes to the Financial Statements (Continued)

3. Financial Risks (continued)

Subsequent to December 31, 2019, the emergence of the COVID-19 Coronavirus pandemic has led to significant market volatility and the declaration of a public health emergency by the World Health Organization. The effects of a public health emergency may materially and adversely impact the value and performance of the Company, the Company's ability to source, manage and divest investments at the most recent valuations and the Company's ability to achieve its investment objectives. In addition, the operations of the Company, the General Partner and the Investment Manager may be impacted as a result of required office closures, government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency. As of the date of this report, it is uncertain how long the impacts will continue and to what extent, if any, it may have on the valuations and performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and includes price risk, interest rate risk and foreign currency risk.

Interest Rate Risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Company holds the profit participating notes which are designated as financial liabilities at fair value through profit and loss.

The Company has indirect exposure to interest rate changes on the valuation of its interest bearing assets and liabilities held at the Investment Partnership. It may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Company invests as the interest earned at the Investment Partnerships impacts the valuation of the investments. As such, the Interest Rate Risk is primarily at the level of the Investment Partnership.

At 31 December 2019		**Non-interest bearing**		**Total**
Assets				
Investment in CPCP Unitranche Aggregator LP at Fair Value	$	12,012,009	$	12,012,009
Receivable from Affiliates		2,396,320		2,396,320
Deferred Credit Facility Fees		53,078		53,078
Total assets	$	14,461,407	$	14,461,407
At 31 December 2019				
Liabilities				
Profit Participating Note	$	12,008,259	$	12,008,259
Cost of Credit Facility Payable		2,449,398		2,449,398
Corporation Tax Payable		938		938
Total liabilities	**$**	14,458,595	$	14,458,595

Notes to the Financial Statements (Continued)

3. Financial Risks (continued)

Interest Rate Risk (continued)

The Company determined that due to the nature of its underlying investment, the sensitivity of net profit and equity to fluctuations in Interest Rate Risk is insubstantial.

Foreign Exchange Risk

Foreign exchange risk exists where assets and liabilities are denominated in currencies other than the base currency of the Company with the effect that the Statement of Financial Position and Statement of Comprehensive Income may be affected by currency movements. The base currency of the Company is the USD.

Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities. Due to the majority of the Company's assets and liabilities being denominated in US Dollars, the Directors believe that the Company is not exposed to any sensitivity to foreign exchange risk.

Price Risk

Price risk is the risk that the value at which a security is recorded is not reflective of the amount that will be realised on maturity or by sale. This most frequently occurs where instruments are difficult to price because they are infrequently traded so a consensus market price is hard to ascertain. The investments are held at the Investment Partnership and are controlled by the management at the level of the Investment Partnership. The price risk is minimal due to the investment in the Investment Partnership which recorded at the fair value that is based on net asset value.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company believes that it has minimal exposure to liquidity risk, due to its closed-end nature. The capital of the Company is committed by its limited partners (the "Limited Partners") for a duration with no redemption options.

The Company determined that due to the nature of its underlying investment, the sensitivity of net profit and equity to fluctuations in liquidity is insubstantial.

Notes to the Financial Statements (Continued)

3. Financial Risks (continued)

Liquidity Risk (continued)

The amounts in the table below represent the carrying value and contractual cash flows. The carrying values and contractual cashflows are equal. Interest is only payable on the profit participating notes to the extent that there is available profit.

A summary of the Company's financial liabilities categorized by expected maturity is as follows:

At 31 December 2019	**Less than 1 month**	**3 months to 1 year**	**> 1 year**	**Total**
Profit Participating Note	$ -	$ -	$ 12,008,259	$ 12,008,259
Cost of Credit Facility Payable	-	2,449,398	-	2,449,398
Corporation Tax Payable	-	-	938	938
Total financial liabilities	$ -	$ 2,449,398	$ 12,009,197	$ 14,458,595

Credit Risk

Credit risk disclosures are segmented into two sections based on whether the underlying financial instrument is subject to IFRS 9's impairment disclosures or not.

Financial assets subject to IFRS 9's impairment requirements

The Company's financial assets subject to the expected credit loss model within IFRS 9 are only short-term trade and other receivables. There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the period.

As only short-term trade and other receivables are impacted by the IFRS 9 ECL model, the Company has adopted the simplified approach. No loss allowance has been recognised as the amortised cost financial assets are short term in nature and IFRS9 ECL provision is not material.

Financial assets not subject to IFRS 9's impairment requirements

Credit risk arises from the possibility of counterparties failing to meet their obligations to the Company and represents the most significant category of risk. The Company manage the credit risk by engaging in full analysis of possible investments and limiting investments to high credit quality institutions.

Exposure to Credit Risk by the Company is considered minimal as it is ultimately borne by the noteholders due to the limited recourse nature of the profit participating notes.

Notes to the Financial Statements (Continued)

3. Financial Risks (continued)

Financial assets not subject to IFRS 9's impairment requirements (continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to the credit risk as of 31 December 2019 was:

		31 December 2019
Receivable from Affiliates	$	2,396,320
Due from Partners		53,078
Receivable from Shareholder		1
Total	**$**	**2,449,399**

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company limits its exposure to operational risks by outsourcing all administration functions to the Administrator. The management functions continue to be held by the investment manager.

4. Fair Value of Financial Instruments

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on last traded price on the reporting date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

To estimate the fair value of financial assets and liabilities for which there is no active market, the Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation models are used primarily to value bank debts and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. OTC instruments are fair valued by reference to counterparty pricing.

Fair values are subject to a control framework designed to ensure that they are either determined or validated by a function independent of the risk taker.

The Company has adopted a hierarchical disclosure framework which prioritises and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value.

Notes to the Financial Statements (Continued)

4. Fair Value of Financial Instruments (continued)

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

The fair value of all assets other than those carried at fair value approximates to its carrying value.

The fair value hierarchy has the following levels:

Quoted Market Price (Level 1)
Quoted prices are available in active markets for identical investments from market data sources as of the reporting date.

Valuation technique using observable inputs (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).

Valuation technique with significant unobservable inputs (Level 3)
Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgement or estimation. Included in this category is the investment into the Partnership, which invests in Level 3 assets.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement, and considers factors specific to the investment. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities.

The Company invests up to 100 per cent of its net assets into the Partnership which makes investments primarily in senior secured loans of private U.S. lower-middle-market companies that are controlled by private equity investment firms. The investments' fair value is determined by the fair value of the investments in the Partnership.

The following table analyses within the fair value hierarchy the Company's financial assets (by class) within Level 3 measured at fair value at 31 December 2019.

	Investment at Fair Value 2019
Balance at the beginning of the Period	$ -
Purchases	12,008,599
Unrealised Gain	3,410
Balance at the end of the Period	**$ 12,012,009**

Notes to the Financial Statements (Continued)

4. Fair Value of Financial Instruments (continued)

There were no transfers between levels for the period ended 31 December 2019.

The change in unrealised Level 3 securities held at year end as included in unrealized gain (loss) on financial assets and liabilities at fair value through profit or loss was $3,410.

Unobservable inputs
The impact on profit and/or equity is estimated as a function of the fair value of the Net Asset Value (NAV) in the Investment Partnership at the year-end. The Company has determined that the sensitivity analysis is not applicable since the NAV in the Investment Subsidiary represents the fair value at the end of the reporting period.

The following table analyses within the fair value hierarchy the Company's financial assets and liabilities (by level).

	Total	Level 1	Level 2	Level 3
Assets				
Investment in CPCP Unitranche Aggregator LP at Fair Value	$ 12,012,009	$ -	$ -	$ 12,012,009
Total	$ 12,012,009	$ -	$ -	$ 12,012,009
Liabilities				
Profit Participating Note	$ 12,008,259	$ -	$ -	$ 12,008,259
Total	$ 12,008,259	$ -	$ -	$ 12,008,259

5. Investment in Partnership

	2019
CPCP Unitranche Aggregator LP	$ 12,012,009
Investments in CPCP Unitranche Aggregator LP at fair value	$ **12,012,009**

The Company meets the definition of an investment entity. Therefore, it does not consolidate its subsidiaries but, rather recognizes them as investments at fair value through profit or loss.

Summary of Unconsolidated Investment Partnerships	**Principal place of business**	**Proportion of ownership & voting rights 2019**
CPCP Unitranche Aggregator LP	Ireland	12.76%

Notes to the Financial Statements (Continued)

5. Investment in Partnership (continued)

Restrictions

The Company appreciates in the form of dividends and interest from its investments in unconsolidated subsidiaries, and there are no significant restrictions on the transfer of funds from these entities to the Company.

Support

The Company has no contractual commitments or current intentions to provide any financial or other support to its unconsolidated subsidiaries other than promissory note.

6. Related Party Transactions

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

The following outlines the transactions between related parties. In addition it describes those transactions with parties who are deemed to be connected as defined by the Companies Act 2014 and to whom any payments made are required to be disclosed under Section 306(1) of the Companies Act 2014.

During the period the Partnership paid the expenses on behalf of the Company. The expenses paid by the Investment Partnerships are not reimbursable. Refer to Note 7 for details of such expenses payable to the Partnership at 31 December 2019.

Receivables from Affiliates on the Statement of Financial Position are a result of subsequent closes and resultant rebalancing of capital within the structure.

Investment Manager

Carne Global Fund Managers (Ireland) Limited (the "AIFM") have appointed Crescent Private Credit Partners Management, LLC (the "Investment Manager") to manage the investment and reinvestment of the assets of the Company and to provide the AIFM with continuing advice and assistance in the implementation of the investment objective and policy of the Company.

AIFM

Carne Global Fund Managers (Ireland) Limited, as AIFM is considered a related party to the Company as it is considered to have significant influence over the Company in its role as AIFM. Carne Global Financial Services Limited, the parent Company of the AIFM acts as Company secretary to LP. Fee arrangements with the AIFM can be found in Note 7.

Notes to the Financial Statements (Continued)

6. Related Party Transactions (continued)

Directors

Each director is entitled to remuneration of EUR 5,000 (ex VAT) per annum for their services out of the assets of the Company. In addition, the Directors are entitled to be reimbursed for their reasonable out-of-pocket expenses incurred in discharging their duties as Directors. Directors remuneration is paid by the Investment Partnership and is not reimbursable.

The listing of the members of the board of Directors of the Company is shown on page 3 of the directors' report. The total remuneration of the Directors was prorated for the year and amounted to USD 6,028 (EUR 5,390). There were no amounts due as at 31 December 2019.

7. Fees and Expenses

During the period the Investment Partnerships paid the expenses on behalf of the Company. Details of such expenses payable to the Investment Partnerships at 31 December 2019 are as follows

AIFM Fees

The AIFM is entitled to a fee 0.025% per annum based on the average net asset value of the Partnership. The fees will accrue on the valuation of the net asset value on a quarterly basis together with reasonable out-of-pocket expenses incurred by the AIFM in the performance of its duties.

The AIFM received a fee of $9,503 from the Investment Partnership of which $9,503 was outstanding at period ended 31 December 2019.

Depositary Fees

The Company has entered into a depositary agreement with BNY Mellon Trust Company (Ireland) Limited.

The Depositary charged a fee of $4,791 from the Investment Partnership of which $4,791 was outstanding at the period ended 31 December 2019.

Administrator

In accordance with the Administration Agreement, the Administrator performs certain administrative services on behalf of the Investment Partnership, including calculating and distributing the quarterly Net Asset Value and middle-office and back-office support activities for the Partnership, including reporting to the Limited Partners. In return, the Partnership pay the Administrator a services fee based on a sliding scale at a maximum rate of 0.09% on the Investment Partnerships' Net Asset Value including borrowings at the end of each quarter.

The administration fees charged were $19,664 of which $19,664 was outstanding at period ended 31 December 2019.

Notes to the Financial Statements (Continued)

7. Fees and Expenses (continued)

Audit Fees

The following expenses are payable to the Statutory Auditor for Services provided to the Company for the period ended 31 December 2019:

		2019
Audit of the Company's statutory financial statements	$	12,463
Other non-audit services		6,857
Other assurance services		-
	$	**19,320**

All expenses of the structure are allocated to each entity by their respective commitment percentages. Below is the Partnerships allocation of audit and non-audit services expense for the period ended 31 December 2019 inclusive of the audit and non-audit fee amounts as mentioned above.

The remuneration for all work carried out for all Partnerships/Companies in the structure by the statutory auditor or the statutory audit firm in the audit of the financial statement for the year will be billed in the subsequent accounting year. The total audit fees for the period amounted to $20,528 and $20,528 was outstanding at period ended 31 December 2019.

The remuneration for all work carried out for all Partnerships/Companies in the structure by the audit firm for tax advisory services for the year will be billed in the subsequent accounting year. The total tax advisory services fees for the period amounted to $15,701 and $15,701 was outstanding at period ended 31 December 2019.

Tax Fees

The remuneration for all tax work carried out for the Company is being accrued for the period which will be billed during the accounting period. The total tax fees for the period amounted to $58 of which $58 was outstanding at period ended 31 December 2019.

Legal Fees

The remuneration for all legal work carried out for the Company for the period amounted to $5,064 of which $5,064 was outstanding at period ended 31 December 2019.

8. Profit Participating Notes

The Company has authorised the issuance of profit participating notes of $10,000,000,000. These are transferable in the denomination of $10,000,000. The Company may redeem such notes any time before due date at its absolute discretion. The Company has the right to call additional capital from the holders of the profit participating notes in proportion of their existing holding, on more than one occasion in a minimum amount of $5,000.

Notes to the Financial Statements (Continued)

8. Profit Participating Notes (continued)

Movements in profit participating notes during the period ended 31 December 2019 was as follows:

		2019
As at 1 January	$	-
Profit participating notes issued		12,008,599
Net unrealised gain/(loss)		(340)
As at December 31	$	**12,008,259**

The notes are limited in recourse in nature, whereby, the Investor shall have recourse only to the Investment for the discharge of their claims against the Issuer. If after the Investment has been realized, the net proceeds are insufficient for the Issuer to make all payments which would then be due, the obligations of the Issuer will be limited to such net proceeds of realization.

In the event of a loss, the loss will be borne by the investors in the Company.

9. Share Capital

The authorised share capital of the Company is €10,000,000 divided into 10,000,000 ordinary shares of €1 each (the “Shares”).

The Company may, before such expiry, make an offer or agreement which would or may require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred has not expired.

The shares are held by Carne International Limited. As at 31 December 2019, 1 share was held.

10. Taxation

a) Analysis of statement of comprehensive income charge:

		Period ended December 31, 2019
Current tax:		
Irish corporation tax on profit for the year	$	938
	$	**938**

There was no amount of deferred tax either provided or unprovided, at the statement of financial position date.

Notes to the Financial Statements (Continued)

10. Taxation (continued)

b) Factors affecting the tax charge for the period

The tax assessed for the period is equal to the standard rate of corporation tax in the Republic of Ireland (25%). The differences are explained below:

	Period ended December 31, 2019
Profit on ordinary activities before taxation	$ 3,750
Tax on profit on ordinary activities at standard corporation tax rate 25%	$ (938)

The Company is an Irish registered Company and is structured to qualify as a securitization company under Section 110 of the Taxes Consolidation Act 1997. As such, the profits are chargeable to corporation tax under Cases III Schedule D at a rate of 25 percent but are computed in accordance with the provisions applicable to Case I Schedule D.

c) Factors affecting future tax charges

The tax charge for future years will be affected by any future changes to the corporation taxation rates in force in the Republic of Ireland.

11. Commitments and Contingencies

At period end there is no capital commitments or contingencies.

12. Subsequent Events

Other than as described in the Financial Risks section above in relation to COVID-19 (refer to Note 3 above), there were no significant events between the balance sheet date and the date of signing of the financial statements, affecting the company, which require adjustment to or disclosure in the financial statements.

13. Approval of Financial Statements

The financial statements were approved by the Board of Directors as minuted on its board meeting dated 24 June 2020.