

**AEW UK INVESTMENT MANAGEMENT LLP**

**LLP Registration Number: OC367686**

**Report and Financial Statements for**

**Period from 31 August 2011 to 31 December 2012**



**AEW UK INVESTMENT MANAGEMENT LLP OC367686  
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**AEW UK INVESTMENT MANAGEMENT LLP OC367686**

**DESIGNATED MEMBERS' AND PROFESSIONAL ADVISERS**

**DESIGNATED MEMBERS'**

AEW Global Limited  
Evergreen Members LLP

**REGISTERED NUMBER**

OC367686 (England & Wales)

**REGISTERED OFFICE**

33 Jermyn Street  
London  
SW1Y 6DN

**BANKERS**

National Westminster Bank Plc

**AUDITOR**

Mazars LLP  
Chartered Accountants (Statutory Auditor)  
Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

**MEMBERS' REPORT**

The Members' present the members' report and the audited financial statements of AEW UK Investment Management LLP ( 'the LLP') for the 16 month period ended 31 December 2012

**BOARD MEMBERS**

The members of the Board who held office during the period were

Appointed by AEW Global Limited      Appointed by Evergreen Members LLP

Jeffrey Furber  
Christain Delaire  
Robert Wilkinson

Richard Tanner  
Rachel McIsaac  
Catherine Delplace

**PRINCIPAL ACTIVITIES**

The LLP was incorporated on 31 August 2011

The principal activity of the LLP is to act as a fund manager for global professional investors seeking exposure to the UK property market. The LLP offers a range of investment services for those clients. It was registered with the Financial Services Authority on 26 August 2012

**REVIEW OF THE BUSINESS**

The results for the year are set out in the financial statements on page 5

The Members report a loss of £(3,011)k in the period ended 31 December 2012

AEW Global Limited and Evergreen Members LLP are two the designated members' of the LLP

**MEMBERS' CAPITAL**

Members' Capital classified as equity is set out in note 10 to the accounts

**MEMBERS' DRAWINGS**

There were no drawings made during the period by the members. Any drawings will be in accordance with the members' agreement

**OFFICERS AND THEIR INTERESTS**

A number of the senior employees of the LLP will personally invest in the fund which will align their long and short term interests with those of the investors in the funds

**AUDITORS**

Mazars LLP as the LLP auditor will continue in office unless removed by the LLP Management Committee

Approved by the Members  
and signed on behalf of the members



C Delplace  
(Member of Evergreen Members LLP)  
19 April 2013



R W Wilkinson  
(Member of AEW Global Limited)  
19 April 2013

## **AEW UK INVESTMENT MANAGEMENT LLP STATEMENT OF MEMBERS' RESPONSIBILITIES**

### **Statement of members' responsibilities**

Under the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000, the members are obliged to present audited financial statements, which give a true and fair view of the state of affairs of the LLP as at the end of the period and of the profit or loss of the LLP for that period. The members have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In preparing these financial statements the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business

Under the Limited Liability Partnership Regulations 2001, the members are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the LLP, and enable them to ensure that the financial statements comply with those regulations. The members have a general responsibility to safeguard the assets of the LLP, the system of internal control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The responsibilities are exercised by the Management Committee on behalf of the members

## AEW UK INVESTMENT MANAGEMENT LLP OC367686

### INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF AEW UK INVESTMENT MANAGEMENT LLP

We have audited the financial statements of AEW UK Investment Management LLP for the 16 month period ended 31 December 2012 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### Respective responsibilities of members and auditor

As explained more fully in the Statement of Members' Responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 limited liability partnership and the limited liability partnership's members for our audit work, for this report, or for the opinions we have formed.

#### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2012 and of its losses for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.



Richard Metcalfe (Senior Statutory Auditor)  
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor  
Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

22/4/2013

**AEW UK INVESTMENT MANAGEMENT LLP OC367686****PROFIT AND LOSS ACCOUNT**

Period ended 31 December 2012

	Note	16 month period ended 31 December 2012 £'000
<b>TURNOVER</b>		
Other Operating Income		<u>67</u>
		67
Staff Costs	3	(2,082)
Depreciation		(27)
Other Operating Expenses		<u>(969)</u>
<b>OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST</b>	2	(3,011)
Interest Receivable and Similar Income		-
Interest Payable and Similar Charges		<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL PERIOD BEFORE MEMBERS' REMUNERATION AND PROFIT SHARE</b>	10	<u>(3,011)</u>
<b>RESULT FOR THE FINANCIAL PERIOD AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>	10	<u><u>(3,011)</u></u>

The results for the period arise from the LLP's continuing operations

No separate statement of total recognised gains and losses have been presented, as all such gains and losses have been dealt with in the profit and loss Account

**AEW UK INVESTMENT MANAGEMENT LLP OC367686**

**BALANCE SHEET  
31 December 2012**

	Note	£'000	2012 £'000
<b>FIXED ASSETS</b>			
Tangible Assets	6		5
Intangible Assets	7		130
<b>CURRENT ASSETS</b>			
Debtors	8	110	
Cash at Bank and in Hand		<u>535</u>	645
<b>CREDITORS: amounts falling due within one year</b>	9		<u>(91)</u>
<b>NET CURRENT ASSETS</b>			<u>554</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>689</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>			<u>689</u>
<b>REPRESENTED BY</b>			
<b>TOTAL MEMBERS INTERESTS</b>			
Members' capital classified as equity	10		3,700
Members' other interest – reserves	10		<u>(3,011)</u>
			<u>689</u>

These financial statements were approved by the members and authorised for issue 19 April 2013 and signed on their behalf by

  
C Delplace  
(Member of Evergreen Members LLP)

  
R W Wilkinson  
(Member of AEW Global Limited)

# AEW UK INVESTMENT MANAGEMENT LLP OC367686

## NOTES TO THE ACCOUNTS For the Period Ended 31 December 2012

### 1. ACCOUNTING POLICIES

#### **Basis of measurement and preparation of accounts**

These financial statements have been prepared using the historical cost convention in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships"

#### **Exemption applied**

The LLP is jointly owned by AEW Global Limited and Evergreen Members LLP. The LLP is a subsidiary of AEW Global Limited and is exempt from the requirements of FRS 1 to prepare a cash flow statement. These accounts present information about the LLP as an individual undertaking.

#### **Going concern**

The management committee are confident of the future trading prospects of the LLP and the expectation is that the LLP will continue its operations for the foreseeable future and so the financial statements have been prepared on a going concern basis.

#### **Turnover**

Turnover, which arises in the United Kingdom, comprises principally of management fees receivable exclusive of sales related taxes.

#### **Pension costs**

Pension benefits to employees are provided by a defined contribution scheme, which is funded by contributions from the LLP and employees. Contributions to the defined contribution scheme are charged to the profit and loss account on an accruals basis.

#### **Intangible fixed assets**

Intangible fixed asset is stated at cost net of amortisation and any provisions for impairment.

Intangible fixed asset is amortised at rates calculated to write off the assets on a straight basis over the estimated useful economic life, not to exceed 20 years, which is estimated as follows:

Intellectual Property	10 years
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The intellectual property represents the rights to a non-exclusive, perpetual, royalty free licence to use, modify licence and sub-licence all commissioned materials purchased during the period.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost net of depreciation and any provisions for impairment.

The LLP's fixed assets are depreciated over their useful economic lives on a straight line basis, which are estimated as follows:

Computer Equipment	2 to 3 years
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**NOTES TO THE ACCOUNTS**  
**For the Period Ended 31 December 2012**

**2 OPERATING LOSS**

	<b>16 month period ended 2012 £'000</b>
<b>Operating loss is stated after charging:</b>	
Auditors' Remuneration - Audit Fees	16
Depreciation – own assets	7
Amortisation of intangible asset	<u>20</u>

**3. STAFF COSTS**

	<b>16 month period ended 2012 £'000</b>
Wages and Salaries	1,824
Social Security Costs	195
Pension Costs	<u>63</u>
	<u>2,082</u>
Average number of employees in the period	<u>6</u>
	<u>6</u>

All pension costs result from membership of defined contribution schemes. The pension cost charged for the period was £63k.

**4 MEMBERS' REMUNERATION**

The members' of the LLP are corporate members and therefore no remuneration is applicable.

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

Taxation on LLP profits is the liability of the designated members. Consequently no corporation tax is assessed on the qualifying LLP, which is regarded as transparent for corporation tax purposes.

**NOTES TO THE ACCOUNTS**  
**For the Period Ended 31 December 2012**

**6 TANGIBLE FIXED ASSETS**

	<b>Computer Equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>		
At 31 August 2011	-	-
Additions	12	12
Disposal	-	-
	<u>12</u>	<u>12</u>
At 31 December 2012		
<b>Depreciation:</b>		
At 31 August 2011	-	-
Charge for the period	7	7
Disposal	-	-
	<u>7</u>	<u>7</u>
At 31 December 2012		
<b>Net book value.</b>		
At 31 December 2012	<u>5</u>	<u>5</u>

**7 INTANGIBLE FIXED ASSETS**

	<b>Intellectual Property £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 31 August 2011	-	-
Additions	150	150
Disposal	-	-
	<u>150</u>	<u>150</u>
At 31 December 2012		
<b>Depreciation.</b>		
At 31 August 2011	-	-
Charge for the period	20	20
Disposal	-	-
	<u>130</u>	<u>130</u>
At 31 December 2012		
<b>Net book value.</b>		
At 31 December 2012	<u>130</u>	<u>130</u>

The intellectual property represents the rights to a non-exclusive, perpetual, royalty free licence to use, modify licence and sub-licence all commissioned materials purchased during the period and is being amortised over 10 years. In the opinion of the members this represents a prudent estimate of the period over which the company will derive economic benefit.

**AEW UK INVESTMENT MANAGEMENT LLP OC367686**

**NOTES TO THE ACCOUNTS  
For the Period Ended 31 December 2012**

**8 DEBTORS**

	<b>2012 £'000</b>
Other Debtors	60
Prepayments and Accrued Income	50
	<hr/>
Amounts due in less than one year	<u>110</u>

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2012 £'000</b>
Other Creditors	14
Taxation and Social Security	33
Accruals and Deferred Income	44
	<hr/>
	<u>91</u>

**10. MEMBERS' INTEREST**

	<b>AEW Global Limited £'000</b>	<b>Evergreen Member LLP £'000</b>	<b>Total 2012 £'000</b>
<b>Members' Capital (Classified as Equity)</b>			
Balance as at 31 August 2011	-	-	-
Capital Introduced	3,700	-	3,700
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2012	<u>3,700</u>	<u>-</u>	<u>3,700</u>
 <b>Other Reserves</b>			
Balance as at 31 August 2012	-	-	-
Losses for the year available for discretionary division among members	(3,011)	-	(3,011)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2012	<u>(3,011)</u>	<u>-</u>	<u>(3,011)</u>

**11. RELATED PARTY TRANSACTIONS**

The LLP is 50% owned by AEW Global Limited who is a designated member of AEW Europe LLP. The LLP has entered into an agreement with AEW Europe LLP to provide the following services: IT, human resources, accounting & taxation, research, compliance and legal. The total costs incurred and paid during the period was £265k.

**12. MEMBERS OF THE LLP**

The members of the LLP are AEW Global Limited and Evergreen Members LLP, who each own a 50% share in the Limited Liability Partnership. The LLP is a subsidiary of AEW Global Limited.