

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

Report and Financial Statements for

Year Ended 31 December 2014

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AEW UK INVESTMENT MANAGEMENT LLP OC367686
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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 year ended 31 December 2014.

BOARD MEMBERS

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

Appointed by AEW Global Limited

Jeffrey Furber
Mireille Cheitioui
Robert Wilkinson

Appointed by Evergreen Members LLP

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 £(237)k for the year ended 31 December 2014 (2013: £(823)k).

AEW Global Limited and Evergreen Members LLP are the two 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)
17 April 2015



R.W. Wilkinson
(Member of AEW Global Limited)
17 April 2015

AEW UK INVESTMENT MANAGEMENT LLP OC367686
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.

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 year ended 31 December 2014 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 Members' Responsibilities Statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 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.

Opinion on the financial statements

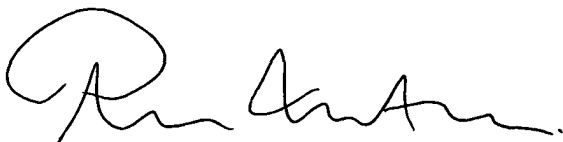
In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2014 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

Mazars LLP,
Tower Bridge House,
St Katharine's Way,
London E1W 1DD

17/04/2015

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2014

		2014 £'000	2013 £'000
	Note		
TURNOVER			
Other Operating Income		1,604	748
		<u>1,604</u>	<u>748</u>
Staff Costs	3	(1,294)	(1,010)
Depreciation		(16)	(19)
Other Operating Expenses		<u>(531)</u>	<u>(542)</u>
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST	2	(237)	(823)
Interest Receivable and Similar Income		-	-
Interest Payable and Similar Charges		<u>-</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL PERIOD BEFORE MEMBERS' REMUNERATION AND PROFIT SHARE	10	<u>(237)</u>	<u>(823)</u>
LOSS FOR THE FINANCIAL PERIOD AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	10	<u><u>(237)</u></u>	<u><u>(823)</u></u>

The loss for the period arises from the LLP's continuing operations.

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

BALANCE SHEET
31 December 2014

	Note	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible Assets	6	-	1
Intangible Assets	7	100	115
		<u>100</u>	<u>116</u>
CURRENT ASSETS			
Trade debtor		-	106
Other debtors	8	472	327
Cash at Bank and in Hand		240	300
		<u>712</u>	<u>733</u>
CREDITORS: amounts falling due within one year	9	<u>(233)</u>	<u>(133)</u>
NET CURRENT ASSETS		<u>479</u>	<u>600</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>579</u>	<u>716</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>579</u>	<u>716</u>
REPRESENTED BY			
TOTAL MEMBERS INTERESTS			
Members' capital classified as equity	10	4,650	4,550
Members' other interest – reserves	10	<u>(4,071)</u>	<u>(3,834)</u>
		<u>579</u>	<u>716</u>

These financial statements were approved by the members and authorised for issue 17 April 2015 and signed on their behalf by:



C Delplace
(Member of Evergreen Members LLP)



R.W. Wilkinson
(Member of AEW Global Limited)

NOTES TO THE ACCOUNTS

For the Year Ended 31 December 2014

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

As at 31 December 2014, the LLP's current asset position was £712k (2013: £733k). The LLP has adequate resources to meet its current liabilities.

The LLP is actively pursuing the launch of new funds and separate mandates which will enhance the future investment management fee income in conjunction with its existing revenue streams in the foreseeable future. On the basis of the projected cash flows of the LLP and taking into account the launch of new funds it is forecasted that the LLP will be profitable within the next two years.

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 Year Ended 31 December 2014

2. OPERATING LOSS

	2014 £'000	2013 £'000
Operating loss is stated after charging :		
Auditors' Remuneration		
- Audit Fees	15	16
Depreciation – own assets	1	4
Amortisation of intangible asset	15	15
	<u>15</u>	<u>15</u>

3. STAFF COSTS

	2014 £'000	2013 £'000
Wages and Salaries	1,130	872
Social Security Costs	127	103
Pension Costs	37	35
	<u>1,294</u>	<u>1,010</u>
Average number of employees in the period	9	7
	<u>9</u>	<u>7</u>

All pension costs result from membership of defined contribution schemes. The pension cost charged for the period was £37k.

4. MEMBERS' REMUNERATION

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

5. TAX ON LOSS 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 Year Ended 31 December 2014

6 TANGIBLE FIXED ASSETS

	Computer Equipment £'000	Total £'000
Cost:		
At 1 January 2014	12	12
Additions	-	-
Disposal	-	-
	<hr/>	<hr/>
At 31 December	12	12
	<hr/>	<hr/>
Depreciation:		
At 1 January 2014	11	11
Charge for the period	1	1
Disposal	-	-
	<hr/>	<hr/>
At 31 December 2014	12	12
	<hr/>	<hr/>
Net book value:		
At 31 December 2014	-	-
	<hr/>	<hr/>
At 31 December 2013	1	1
	<hr/>	<hr/>

7. INTANGIBLE FIXED ASSETS

	Intellectual Property £'000	Total £'000
Cost:		
At 1 January 2014	150	150
Additions	-	-
Disposal	-	-
	<hr/>	<hr/>
At 31 December 2014	150	150
	<hr/>	<hr/>
Depreciation:		
At 1 January 2014	35	35
Charge for the period	15	15
Disposal	-	-
	<hr/>	<hr/>
At 31 December 2014	50	50
	<hr/>	<hr/>
Net book value:		
At 31 December 2014	100	100
	<hr/>	<hr/>
At 31 December 2013	115	115
	<hr/>	<hr/>

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.

NOTES TO THE ACCOUNTS

For the Year Ended 31 December 2014

8. DEBTORS

	2014	2013
	£'000	£'000
Other Debtors	17	7
Prepayments and Accrued Income	455	320
	<hr/>	<hr/>
Amounts due in less than one year	472	327
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£'000	£'000
Other Creditors	-	1
Taxation and Social Security	46	38
Accruals and Deferred Income	187	94
	<hr/>	<hr/>
	233	133
	<hr/>	<hr/>

10. MEMBERS' INTEREST

	AEW Global Limited £'000	Evergreen Member LLP £'000	Total 2014 £'000
Members' Capital (Classified as Equity)			
Balance as at 1 January 2014	4,550	-	4,550
Capital Introduced	100	-	100
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2014	4,650	-	4,650
	<hr/>	<hr/>	<hr/>
Other Reserves			
Balance as at 1 January 2014	(3,834)	-	(3,834)
Losses for the year available for discretionary division among members	(237)	-	(237)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2014	(4,071)	-	(4,071)
	<hr/>	<hr/>	<hr/>

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 £214k (2013- £193k).

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.