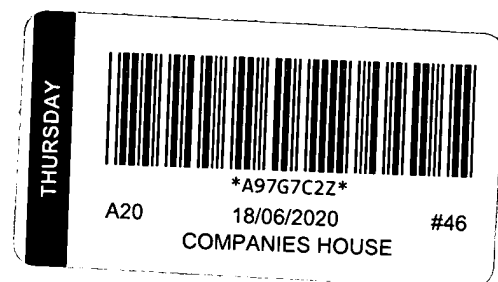


AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

Annual Report and Financial Statements

For The Year Ended 31 December 2019



AEW UK INVESTMENT MANAGEMENT LLP

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AEW UK INVESTMENT MANAGEMENT LLP

ADMINISTRATIVE INFORMATION

Designated members	AEW Global Limited Evergreen Members LLP
LLP Registration number	OC367686 (England & Wales)
Registered office	33 Jermyn Street London SW1Y 6DN
Bankers	Royal Bank of Scotland International 280 Bishopsgate London EC2M 4RB
Auditors	Mazars LLP Chartered Accountants and Statutory Auditor Tower Bridge St Katharine's Way E1W 1DD

AEW UK INVESTMENT MANAGEMENT LLP

MEMBERS' REPORT

The Members present the members' report and the audited financial statements of AEW UK Investment Management LLP ("the LLP" or "AEW UK") for the year ended 31 December 2019.

BOARD MEMBERS

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

Appointed by AEW Global Limited

Jeffrey Furber
Robert Wilkinson
Russell Jewell

Appointed by Evergreen Members LLP

Richard Tanner
Rachel McIsaac
Louise Staniforth

Independent Non-Executives

Alan Botterill (appointed 22 October 2019)
Alex Wilson (appointed 30 September 2019)

PRINCIPAL ACTIVITIES

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 Conduct Authority (formally, '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 8. The Members report a profit of £845k for the year ended 31 December 2019 (2018: profit of £2,038k).

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

FUTURE PROSPECTS

The members are confident of the future trading prospects of the LLP. There are no material risks or uncertainties facing the LLP.

The South East Office Fund, an English limited Partnership launched 3rd June 2014 and its property assets were sold in October 2018. The Fund was liquidated in 2019.

AEW UK Urban Real Estate Fund, an English Limited Partnership has been established and is managed by AEW UK.

COVID-19

As at 31 December 2019, a limited number of cases of an unknown virus had been reported to the World Health Organisation ("WHO"). Following the subsequent spread of the virus, on March 11, 2020 the WHO declared COVID-19 outbreak to be a pandemic. The full impact following the recent emergence of the global coronavirus is still unknown. It is therefore not currently possible to evaluate all the potential implications to company's trade, customers, suppliers and wider economy at this stage.

In response to the pandemic and as at the date of these accounts, the LLP has adopted a number of policies across the platform to ensure the safety of its clients, employees and their families. AEW UK has adopted a homeworking policy for its entire staff and remains fully operational and able to continue to perform our duties as investment manager to its various clients. All of its key suppliers also have robust procedures in place to provide continuity of service.

AEW UK INVESTMENT MANAGEMENT LLP

MEMBERS' REPORT

COVID-19 (continued)

The management committee has also undertaken a COVID-19 impact assessment and enhanced its stress testing to ensure it remains fully confident of the Company's going concern through these unprecedented times.

BREXIT

The United Kingdom left the European Union on 31 January 2020.

There is now a transition period until the end of 31 December 2020 while the UK and EU negotiate additional arrangements. During this time, the UK will continue to apply laws that are based on EU legislation.

The impact to the Company, will be dependent on the terms of future trade and relationships with the EU which are not clear, and therefore not currently possible to evaluate all the potential implications in relation to any potential regulatory or tax change.

In addition, the macroeconomic effect on investments in the UK real estate sector and, by extension, the impact on AEW UK's investment management income, is unknown.

As such, it is not possible to accurately state the impact that Brexit will have on the Company at this stage. Brexit may also make it more difficult for the Company to raise capital for its Funds and/or increase the regulatory compliance burden on the Company. This could restrict the Company's future activities for growth.

GOING CONCERN

These financial statements have been prepared on a going concern basis, further details of which are set out in the accounting policies on page 11.

MEMBERS' CAPITAL

Members' capital classified as equity is set out on page 9.

MEMBERS' DRAWINGS

The following drawings totalling £2,184k were made during the period by the two members of the LLP. This comprised of special profits of £744k and a distribution £650k to AEW Global Limited and £790k to Evergreen Members LLP. The drawings were in accordance with the members' agreement.

OFFICERS AND THEIR INTERESTS

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

AEW UK INVESTMENT MANAGEMENT LLP

MEMBERS' REPORT

STATEMENT OF MEMBERS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Companies Act 2006, as applied to the limited liability partnerships requires members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that year. 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 accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the LLP, and enable them to ensure that the financial statements comply with the Companies Act 2006, as applied to limited liability partnerships. 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.

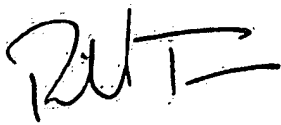
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information of which auditors are unaware, and each member has taken all the steps that he or she ought to have taken as a member in order to make himself or herself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

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



R Tanner
(Member of Evergreen Members LLP)
23 April 2020



R.W. Wilkinson
(Member of AEW Global Limited)
23 April 2020

AEW UK INVESTMENT MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEW UK INVESTMENT MANAGEMENT LLP

For the year ended 31 December 2019

Opinion

We have audited the financial statements of AEW UK Investment Management LLP (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to both the COVID-19 coronavirus and the United Kingdom exiting the European Union on our audit

The Directors' view on the impacts of the COVID-19 coronavirus and Brexit are disclosed on pages 2 and 3 respectively.

The full impact following the recent emergence of the global coronavirus is still unknown. It is therefore not currently possible to evaluate all the potential implications to the group and company's trade, customers, suppliers and the wider economy.

The United Kingdom withdrew from the European Union on 31 January 2020 and entered into an Implementation Period which is scheduled to end on 31 December 2020. However the terms of the future trade and other relationships with the European Union are not yet clear, and it is therefore not currently possible to evaluate all the potential implications to the group and company's trade, customers, suppliers and the wider economy.

We considered the impacts of COVID-19 coronavirus and Brexit on the group and company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the group's and company's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the company and this is particularly the case in relation to both COVID-19 coronavirus and Brexit.

AEW UK INVESTMENT MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEW UK INVESTMENT MANAGEMENT LLP

For the year ended 31 December 2019

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

Responsibilities of Members

As explained more fully in the members' responsibilities statement set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members 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 members are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AEW UK INVESTMENT MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AEW UK INVESTMENT MANAGEMENT LLP

For the year ended 31 December 2019

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

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

Signed:



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

Date: Apr 23, 2020

AEW UK INVESTMENT MANAGEMENT LLP**LLP Registration Number: OC367686****STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2019**

<i>Continuing operations</i>	Note	2019 £'000	2018 £'000
Turnover	3	7,333	7,528
		<u>7,333</u>	<u>7,528</u>
Staff costs	5	(3,870)	(3,714)
Depreciation		(20)	(164)
Other operating expenses		(2,598)	(1,612)
		<u>(6,488)</u>	<u>(5,490)</u>
Operating profit on ordinary activities before interest	4	845	2,038
Interest receivable and similar income		-	-
Interest payable and similar charges		-	-
		<u>-</u>	<u>-</u>
Profit on ordinary activities for the financial year before members' remuneration and profit share		845	2,038
		<u>845</u>	<u>2,038</u>
Profit for the year available for discretionary division among members		845	2,038
		<u>845</u>	<u>2,038</u>
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the financial year available for discretionary division among members		845	2,038
		<u>845</u>	<u>2,038</u>

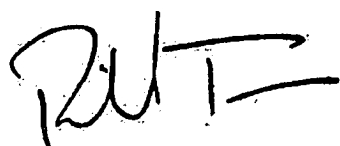
The notes on pages 11 to 19 form part of these financial statements.

AEW UK INVESTMENT MANAGEMENT LLP
LLP Registration Number: OC367686

STATEMENT OF FINANCIAL POSITION
For the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Fixed assets			
Intangible assets	8	25	40
Tangible fixed assets	9	9	3
		<u>34</u>	<u>43</u>
Current assets			
Debtors	11	2,407	3,001
Cash at bank and in hand		3,063	3,248
		<u>5,470</u>	<u>6,249</u>
Creditors: amounts falling due within one year	12	<u>(2,409)</u>	<u>(1,858)</u>
Net current assets		<u>3,061</u>	<u>4,391</u>
Total assets less current liabilities		<u>3,095</u>	<u>4,434</u>
Net assets attributable to members		<u><u>3,095</u></u>	<u><u>4,434</u></u>
Represented by:			
Total members interests			
Members' capital classified as equity		5,097	5,097
Members' other interest – reserves		<u>(2,002)</u>	<u>(663)</u>
		<u><u>3,095</u></u>	<u><u>4,434</u></u>

These financial statements were approved by the members, authorised and signed on their behalf by:



R Tanner
(Member of Evergreen Members LLP)

23 April 2020



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

23 April 2020

The notes on pages 11 to 19 form part of these financial statements.

RECONCILIATION OF MEMBERS' INTEREST
For the year ended 31 December 2019

	Equity		
	Members' other interests		
	Members capital (classified as equity) £'000	Other reserves £'000	Total members' interest £'000
Amounts due to/(from) members at 1 January 2018	5,097	(2,701)	2,396
Profit for the financial year available for discretionary division between members	-	2,038	2,038
Members interests for the year	5,097	(663)	4,434
Distribution of reserves	-	-	-
Amounts due to/(from) members at 31 December 2018	5,097	(663)	4,434
Profit for the financial year available for discretionary division between members	-	845	845
Members interests after profit/(loss) for the year	-	845	845
Distribution of reserves	-	(2,184)	(2,184)
Amounts due to/(from) members at 31 December 2019	5,097	(2,002)	3,095

The notes on pages 11 to 19 form part of these financial statements.

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. Accounting policies

a) General information

AEW UK Investment Management LLP is a limited liability partnership domiciled and incorporated in England & Wales, the registration number is OC367686. The address of its registered office and principal place of business is 33 Jermyn Street, London, SW1Y 6DN.

These financial statements have been prepared in Sterling, which is the LLP's functional currency, being the primary economic environment in which the LLP operates. The amounts in these financial statements have been rounded to the nearest thousand.

b) Basis of preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' ("LLP SORP") and requirements of Companies Act 2006. These financial statements have been prepared using the historical cost convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of the exemptions by the LLP's members.

In preparing the financial statements, the LLP has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 'Related Party Disclosures'; and
- from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows',

On the basis that equivalent disclosures are given in the consolidated financial statements of its ultimate parent undertaking Natixis SA, the LLP has also taken advantage of the exemption not to disclose certain requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues'.

Note 14 provides details of where those consolidated financial statements may be obtained from.

c) Going concern

As at 31 December 2019, the LLP's current asset position was £5,470k (2018: £6,249k). The LLP has adequate resources to meet its current liabilities.

Since 31 December 2019, the development and spread of COVID-19 has had a significant impact on economies and resulted in severe restrictions of movement of people across Europe.

As at the date of approving the financial statements, the management committee has a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. As such, the management committee considers there will be limited impact in the short term on the financial statements of the LLP as a result of COVID -19 and continues to adopt the going concern basis of accounting in preparing the financial statements.

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. Accounting policies (continued)

d) Revenue

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts from the provision of investment management services net of sales related taxes, and for advisory services.

Management fees receivable in advance are deferred and recognised as income over the period, or point in time, in which the services are performed. When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Revenue from other operating income relates to advisory services and is recognised over the period the services are performed.

e) Taxation

No provision has been made for taxation in the financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual members and not the LLP.

f) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place. Where this is not possible to determine, income and expense items are translated using an average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

g) Intangible assets

Intangible assets which comprises of intellectual property is initially recognised at cost, which is the purchase price plus any directly attributable costs and are subsequently measured at cost less accumulated amortisation and impairment losses.

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.

Amortisation is charged on a straight line basis to administrative expenses in profit or loss over the shorter of the useful life of the asset or the contractual or legal rights arising on acquisition. The useful life is as follows:

Intellectual property	10 years
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Intangible assets are tested for impairment where indication of impairment exists at the reporting date.

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. Accounting policies (continued)

h) Tangible fixed assets

Tangible fixed assets are recognised at cost, which is the purchase price plus any directly attributable costs and are subsequently measured at cost less accumulated depreciation and impairment losses.

Tangible fixed assets are depreciated to administrative expenses in profit or loss over their useful lives on a straight line basis, which are as follows:

Computer equipment	2 to 3 years
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Tangible fixed assets are tested for impairment where indication of impairment exists at the reporting date.

a) Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and liabilities are recognised in the LLP's statement of financial position when the LLP becomes party to the contractual provisions of the instrument.

Classification of financial assets

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, and deposits held at call with banks. Cash is stated at its transaction price.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. ACCOUNTING POLICIES (CONTINUED)

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Members' interests are classified as equity where it evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts from group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as amounts falling due within one year if payment is due within one year or less. If not, they are presented as amounts falling due after more than one year.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the LLP's obligations are discharged, cancelled, or they expire.

b) Retirement benefits

The LLP operates a defined contribution pension scheme for certain employees. Contributions to the defined contribution pension scheme are charged to profit or loss in the period in which they are incurred.

c) Employee benefits

Short-term employee benefits such as unused holiday entitlement, are recognised as an expense in profit or loss in the period in which the services are received. An accrual is recognised for short-term employee benefits where entitlement has accumulated, but has not been taken, at the reporting date. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

AEW UK INVESTMENT MANAGEMENT LLP

LLP Registration Number: OC367686

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the LLP's accounting policies management are required to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in future years. The judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The following judgements and estimates that management has made in the process of applying the LLP's accounting policies and that have the most significant effects on the amounts recognised in the financial statements are:

Critical judgements

Impairment of intangibles

Determining whether the LLP's intangible assets have been impaired require estimates of the asset value in use. The value in use calculations requires the entity to estimate the future cash flows expected to arise from the intangible assets. The carrying amount of the intangible assets at the reporting date was £40k with no impairment loss recognised in 2019 or 2018.

Covid-19

The full impact of COVID-19 is yet to be know. Whist there was very limited impact (if any) at the end of 2019, management have considered the future recoverability of debtors and fair value of all of assets. At the date of these accounts no adjustment is considered necessary.

3. Turnover

An analysis of the LLP's turnover is as follows:

	2019	2018
	£'000	£'000
Investment management fees	7,333	7,528
Other operating income	-	-
	<u>7,333</u>	<u>7,528</u>

Analyses of the LLP's turnover by geographical market is as follows:

	2019	2018
	£'000	£'000
United Kingdom	<u>7,333</u>	<u>7,528</u>

AEW UK INVESTMENT MANAGEMENT LLP**LLP Registration Number: OC367686****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2019****4. Operating profit**

	2019	2018
	£'000	£'000
Operating profit is stated after charging:		
Amortisation of intangible assets	15	161
Depreciation of tangible fixed assets	5	3
Fees payable to the auditor for the audit of the LLP's financial statements	25	23

5. Staff costs

The average number of persons (including key management personnel) employed by the LLP during the year was:

	2019	2018
	Number	Number
Fund management	16	16
Fund operations	5	5
Financial and administration	2	2
	<u>23</u>	<u>23</u>

Their aggregate remuneration comprised:	2019	2018
	£'000	£'000
Wages and salaries	3,317	3,174
Social security costs	349	364
Pension costs	204	176
	<u>3,870</u>	<u>3,714</u>

6. Members' remuneration

No remuneration has been paid in the year (2018: £nil) to the two members of the LLP.

7. Taxation

Taxation on profit on ordinary activities of the LLP is the liability of the designated members. Consequently no corporation tax is assessed on the qualifying LLP.

AEW UK INVESTMENT MANAGEMENT LLP**LLP Registration Number: OC367686****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2019****8. Intangible assets**

	Intellectual Property £'000	Total £'000
Cost		
At 1 January 2019	150	150
Additions	-	-
Disposals	-	-
Accelerated depreciated assets	-	-
	<hr/>	<hr/>
At 31 December 2019	150	150
	<hr/>	<hr/>
Amortisation		
At 1 January 2019	110	110
Charge for the year	15	15
Accelerated depreciated assets	-	-
	<hr/>	<hr/>
At 31 December 2019	125	125
	<hr/>	<hr/>
Net book value		
At 31 December 2019	25	25
	<hr/>	<hr/>
At 31 December 2018	40	40
	<hr/>	<hr/>

9. Tangible fixed assets

	Computer Equipment £'000	Total £'000
Cost		
At 1 January 2019	9	9
Additions	11	11
Fully depreciated assets	(2)	(2)
	<hr/>	<hr/>
At 31 December 2019	18	18
	<hr/>	<hr/>
Depreciation		
At 1 January 2019	6	6
Charge for the year	5	5
Fully depreciated assets	(2)	(2)
	<hr/>	<hr/>
At 31 December 2019	9	9
	<hr/>	<hr/>
Net book value		
At 31 December 2019	9	9
	<hr/>	<hr/>
At 31 December 2018	3	3
	<hr/>	<hr/>

AEW UK INVESTMENT MANAGEMENT LLP

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NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2019****10. Financial instruments**

	2019	2018
	£'000	£'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	775	159
	<u>775</u>	<u>159</u>
Carrying amount of financial liabilities		
Measured at amortised cost	21	79
	<u>21</u>	<u>79</u>

11. Debtors

	2019	2018
	£'000	£'000
Trade debtors	478	82
Other debtors	297	77
Prepayments and accrued income	1,632	2,842
	<u>2,407</u>	<u>3,001</u>

12. Creditors: amounts falling due within one year

	2019	2018
	£'000	£'000
Trade creditors	21	51
Other creditors	-	28
Taxation and social security	107	125
Accruals and deferred income	2,281	1,654
	<u>2,409</u>	<u>1,858</u>

13. Related party transactions

The LLP is 50% owned by AEW Global Limited who is a designated member of AEW Europe LLP and 50% owned by Evergreen Members 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 year were £545k (2018: £488k).

Delegation agreements with LLP: QSuper, Mars, Nox £1,742k (2018: £1,149k).

14. Post balance sheet event

As at 31 December 2019, a limited number of cases of an unknown virus had been reported to the World Health Organisation ("WHO"). Following the subsequent spread of the virus, on March 11, 2020 the WHO declared COVID-19 outbreak to be a pandemic. The identification of the virus post 31 December 2019 as a new coronavirus, and its subsequent spread, is considered a non-adjusting event. The fair value of investments as at 31 December 2019 reflects conditions known as at that date and do not factor in the effect of COVID-19 on those valuations. As at the date of this report, it is not possible to reliably estimate the financial effect (if any) of the virus on the Company's Operations or Fair value of Investments.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

15. Immediate and ultimate parent undertaking

The members of the LLP are AEW Global Limited and Evergreen Members LLP, who each own a 50% share in the LLP. The LLP is controlled by AEW Global Limited, who is the immediate parent undertaking.

The ultimate parent company is Groupe BCPE a company incorporated in France. The largest and smallest group in which the LLP is consolidated into is that headed by Groupe BPCE. The consolidated financial statements may be obtained from:

Finance Director
Groupe BCPE
30 Avenue Pierre Mendes-France
75013, Paris
France