

# AEW Promote LP Limited

## Annual Report and Financial Statements

### For the year ended 31 December 2017



# AEW Promote LP Limited

## Company Information

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**Directors**

Serge Bataillie  
Russell Jewell

**Company number**

04963186

**Registered office**

33 Jermyn Street  
London  
SW1Y 6DN

**Auditors**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Bankers**

National Westminster Bank plc  
94 Moorgate  
London  
EC2M 6XT

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# AEW Promote LP Limited

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# AEW Promote LP Limited

## Strategic Report

For the year ended 31 December 2017

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The directors present the strategic report and financial statements for the year ended 31 December 2017.

### Principal activities

The company's principal activity is to act as the corporate limited partner in new carry and co-investment funds raised by AEW Europe LLP. The first fund in which the company is investing is AEW EVP SLP LP, which is the carry and co-investment fund for AEW Europe Value Partners LP. The company made a capital contribution to this fund of £1.9k on 14 November 2017.

### Principal risk and uncertainties

The directors have overall responsibility for identifying, evaluating and managing major business risks. They regularly assess the business risks exposure and control including compliance assessments and determine any appropriate action required.

Principal business risks reviewed include the performance of the funds into which the company invests.

### Analysis based on Key Performance Indicators and future developments

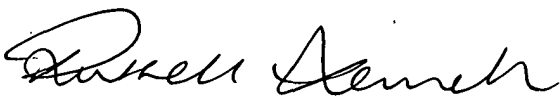
The board will monitor the progress of the company by reference to the following key performance indicators:

1. Investments
2. Asset management
3. Fund reporting

As at 31 December 2017 the company had a cash balance of £2.6k, with a capital contribution to AEW EVP SLP LP of £1.9k. The operating expenses are limited to annual audit fees and bank charges. The first capital call for the fund is expected in Q2 2018.

The directors are optimistic about the future growth of the business and profitability.

On behalf of the board



Russell Jewell

Director

25 May 2018

# AEW Promote LP Limited

## Directors' Report

For the year ended 31 December 2017

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The directors present their annual report and financial statements for the year ended 31 December 2017.

### Principal activities

The company's principal activity is to act as the corporate limited partner in new carry and co-investment funds raised by AEW Europe LLP.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Serge Bataillie  
Russell Jewell

### Results

The results for the year are set out on page 7.

### Future developments

The company has chosen to include this information in the Strategic Report in accordance with section 414C of the Companies Act 2006.

### Auditors

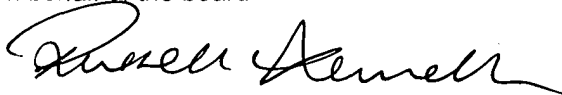
Kingston Smith LLP were appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Statement of disclosure to auditors

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



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Russell Jewell

Director

..... 25 May 2018

# AEW Promote LP Limited

## Directors' Responsibilities Statement

For the year ended 31 December 2017

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The directors are responsible for preparing the Directors Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

Company 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 United Kingdom Generally Accepted Accounting Practice. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

# AEW Promote LP Limited

## Independent Auditors' Report (Continued)

### To the Members of AEW Promote LP Limited

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#### **Opinion**

We have audited the financial statements of AEW Promote LP Limited for the year ended 31 December 2017 which comprise the Profit And Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows 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), including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit 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.

This report is made solely to the company's members, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to it. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members, for our audit work, for this report, or for the opinions we have formed.

#### **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 financial statements section of our report. We are independent of the group 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.

#### **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 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 group's or the parent 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.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

# AEW Promote LP Limited

## Independent Auditors' Report (Continued)

### To the Members of AEW Promote LP Limited

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#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of 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 strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Other matter**

In the previous accounting period the directors of the company took advantage of the audit exemption under s477 of the Companies Act 2006. Therefore the prior period financial statements were not subject to audit.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Report, 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 controls as the directors 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



# AEW Promote LP Limited

## Independent Auditors' Report (Continued)

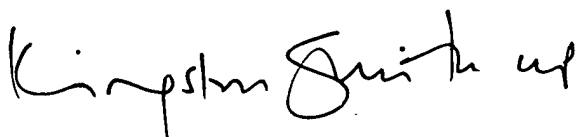
### To the Members of AEW Promote LP Limited

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As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Thomas Moore (Senior Statutory Auditor)**  
for and on behalf of Kingston Smith LLP

*29 May 2018*

**Chartered Accountants**  
**Statutory Auditor**

Devonshire House  
60 Goswell Road  
London  
United Kingdom  
EC1M 7AD

# AEW Promote LP Limited

## Profit and Loss Account

For the year ended 31 December 2017

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|  | Notes    | 2017<br>£ | 2016<br>£ |
|--|----------|-----------|-----------|
| Turnover                                       |          | -         | -         |
| Administrative expenses                        |          | (2,533)   | -         |
| <b>Operating (loss)</b>                        | <b>3</b> | (2,533)   | -         |
| Interest receivable and similar income         |          | -         | -         |
| <b>(Loss) before taxation</b>                  |          | (2,533)   | -         |
| Taxation                                       | <b>4</b> | -         | -         |
| <b>(Loss) for the financial year</b>           |          | (2,533)   | -         |
| <b>Total comprehensive (loss) for the year</b> |          | (2,533)   | -         |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# AEW Promote LP Limited

## Balance Sheet

For the year ended 31 December 2017

|   | Notes | 2017           |                | 2016       |            |
|---|-------|----------------|----------------|------------|------------|
|   |       | £              | £              | £          | £          |
| <b>Fixed assets</b>                                   |       |                |                |            |            |
| Investment in Fund                                    | 5     | 1,909          |                | -          |            |
| <b>Current assets</b>                                 |       |                |                |            |            |
| Debtors   | 6     | 236            |                | 100        |            |
| Cash at bank and in hand                              |       | 2,653          |                | -          |            |
|   |       | <u>2,889</u>   |                | <u>100</u> |            |
| <b>Total assets</b>                                   |       | 4,798          |                | 100        |            |
| <b>Creditors: amounts falling due within one year</b> | 7     | <u>(7,231)</u> |                | <u>-</u>   |            |
| <b>Net current (liabilities)/assets</b>               |       |                | <u>(2,433)</u> |            | <u>100</u> |
| <b>Capital and reserves</b>                           |       |                |                |            |            |
| Called up share capital                               | 8     |                | 100            |            | 100        |
| Profit and loss reserves                              |       |                | (2,533)        |            | -          |
|   |       |                | <u></u>        |            | <u></u>    |
| <b>Total equity</b>                                   |       |                | <u>(2,433)</u> |            | <u>100</u> |

The financial statements were approved by the board of directors and authorised for issue on 25 May 2018 and are signed on its behalf by:



Russell Jewell  
Director

Company Registration No. 04963186

# AEW Promote LP Limited

## Statement of Cash Flows

For the year ended 31 December 2017

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|  | 2017<br>£           | 2016<br>£       |
|--|---------------------|-----------------|
| <b>Cash flows from operating activities</b>              |                     |                 |
| (Loss) before taxation                                   | (2,533)             | -               |
| <b>Movements in working capital</b>                      |                     |                 |
| (Increase)/decrease in debtors                           | (136)               | -               |
| Increase/(decrease) in creditors                         | 7,231               | -               |
| <b>Cash generated from operating activities</b>          | <u>4,562</u>        | <u>-</u>        |
| <b>Cash flows from investing activities</b>              |                     |                 |
| Receipt from investment                                  | -                   | -               |
| Capital investment                                       | (1,909)             | -               |
| <b>Net cash generated from investing activities</b>      | <u>(1,909)</u>      | <u>-</u>        |
| <b>Cash flows from financing activities</b>              |                     |                 |
| Distributions paid to limited partners                   | -                   | -               |
| Return of equity to limited partners                     | -                   | -               |
| <b>Net cash flows used in financing activities</b>       | <u>-</u>            | <u>-</u>        |
| <b>Net increase in cash and cash equivalents</b>         | <b>2,653</b>        | <b>-</b>        |
| Cash and cash equivalents at the beginning of the period | -                   | -               |
| <b>Cash and cash equivalents at 31 December 2017</b>     | <u><b>2,653</b></u> | <u><b>-</b></u> |

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# AEW Promote LP Limited

## Notes to the Financial Statements

For the year ended 31 December 2017

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### 1 Accounting policies

#### Company information

AEW Promote LP Limited is a company limited by shares incorporated in England and Wales. The registered office is 33 Jermyn Street, London, SW1Y 6DN.

The company did not have any employees during 2017.

#### 1.1 Accounting convention

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") and the requirements of the Companies Act 2006.

These financial statements for the year ended 31 December 2017 are the first financial statements of AEW Promote LP Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2016. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the balance sheet date the Partnership had net liabilities of £2,433. AEW Global Limited, a fellow group undertaking, have confirmed they will continue to provide financial support to the extent necessary for the company to meet its liabilities as they fall due. Accordingly the directors have deemed it appropriate to prepare the financial statements on the going concern basis.

#### 1.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

#### 1.4 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 are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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 receivables 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.

# AEW Promote LP Limited

## Notes to the Financial Statements

For the year ended 31 December 2017

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### 1 Accounting policies

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

# AEW Promote LP Limited

## Notes to the Financial Statements

For the year ended 31 December 2017

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### 2 Critical accounting estimates and judgements

The directors consider that there are no critical accounting estimates and judgements made in preparing these financial statements.

### 3 Operating profit

|  | 2017<br>£ | 2016<br>£ |
|--|-----------|-----------|
| Operating profit for the year is stated after charging/(crediting):                        |           |           |
| Fees payable to the company's auditors for the audit of the company's financial statements | 2,500     | -         |

### 4 Taxation

|  | 2017<br>£ | 2016<br>£ |
|--|-----------|-----------|
| <b>Current tax</b>                                   |           |           |
| UK corporation tax on profits for the current period | -         | -         |

### 5 Investment

The company became the 100% allocated limited partner of AEW EVP SLP LP, the carry and co-investment vehicle for AEW Europe Value Partners LP, the Fund on 14 November 2017.

|                      | 2017<br>£ | 2016<br>£ |
|----------------------|-----------|-----------|
| Cost:                |           |           |
| As at 1 January      | -         | -         |
| Investment in period | 1,909     | -         |
| As at 31 December    | 1,909     | -         |

# AEW Promote LP Limited

## Notes to the Financial Statements

For the year ended 31 December 2017

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### 6 Debtors

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Amounts due from group undertakings         | 236       | 100       |

A total of £136 in other debtors is due from AEW EVP SLP LP in respect of bank charges. The remaining £100 relates to unpaid share capital.

### 7 Creditors: amounts falling due within one year

|                                   | 2017<br>£    | 2016<br>£ |
|-----------------------------------|--------------|-----------|
| Amounts due to group undertakings | 4,731        | -         |
| Accruals                          | 2,500        | -         |
|                                   | <u>7,231</u> | <u>-</u>  |

Other creditors is a loan from AEW Europe LLP a group undertaking.

### 8 Share capital

|                                  | 2017<br>£ | 2016<br>£ |
|----------------------------------|-----------|-----------|
| Called up share capital not paid |           |           |
| 100 Ordinary shares of £1 each   | 100       | 100       |

### 9 Controlling party

The company's immediate parent entity is jointly held between AEW Global Limited and AEW Global UK Limited, both registered in the United Kingdom. The ultimate controlling party is Natixis Investment Managers ("Natixis"), registered in France.

Natixis is the parent undertaking of the largest and smallest group of undertakings of which the company is a member and for which group financial statements are prepared. The group financial statements may be obtained from the Finance Director, AEW Promote LP Limited, 33 Jermyn Street, London, SW1Y 6DN.