

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2016
for
Metlife Investment Management Limited

TUESDAY



A06

A68YHIM8

20/06/2017

#169

COMPANIES HOUSE

Metlife Investment Management Limited

Contents of the Financial Statements
for the Year Ended 31 December 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Metlife Investment Management Limited

Company Information

for the Year Ended 31 December 2016

DIRECTORS:

H P M Pénot
J Gulotta
J Pollaro
S Celso
P Wilson

SECRETARY:

M Szwed

REGISTERED OFFICE:

Level 34
One Canada Square
Canary Wharf
London
E14 5AA

REGISTERED NUMBER:

08913412

AUDITORS:

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

The company was authorised by the Financial Conduct Authority (FCA) on 13 February 2015 to carry out certain regulated investment activities. As shown in the Company's statement of comprehensive income on page 7, there was an operating loss of £158,644 (2015 loss £275,267). The Company's performance is monitored by comparing budgeted expenses with actual expenses. A loss was incurred during the year which was not forecast, this was because there were not as many new asset management agreements signed up by the company as forecast. The detailed forecasted profit and loss accounts in place indicate the company will turn slightly profitable in 2017. As at 31 December 2016 the Company's balance sheet showed capital and reserves amounting to £2.5 million (2015 £2.6 million). Net current assets also amounted to £2.5 million (2015 £2.6 million) and bank and cash balances in the sum of £2.1 million (2015 £2.7 million). The directors consider this adequately capitalised to continue carrying out the company's activities.

The company uses Key Performance Indicators (KPI's) to monitor the company performance. The directors have considered the following KPI's:

Turnover has increased by £1,910,110 to £2,024,261 due to the growth of the Privates (Corporates and Infrastructure) Asset Management business. This is from a combination of existing European-based clients as well as new clients. The book value of assets under management has increased from £552,486,512 at 31 December 2015 to £948,307,373 at 31 December 2016, an increase of £395,820,861 or 72%.

Year on year expenses have increased by £1,793,486 to £2,182,905 due to the increased trading activity which required additional support from related companies in the group, resulting in higher year on year affiliated expenses.

PRINCIPAL RISKS AND UNCERTAINTIES

As the company is authorised by the FCA it must have procedures in place to ensure it has adequate resources at all times. It must also have procedures in place to review the potential outcomes in the event of a severe downturn in the market and dealing with non-payment by all its clients. There must be resources in place to cover these events. As mentioned above the company has prepared detailed profit and loss and cash flow forecasts which have not identified any cash flow or working capital issues in the foreseeable future.

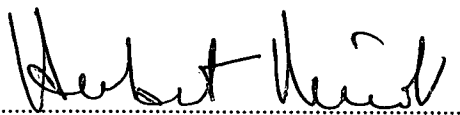
Credit risk

Credit risk is the risk that the counterparty will be unable to pay amounts in full when due. The Directors monitor exposure to credit risk through regular review of credit exposures, assessment of the creditworthiness of counterparties and informed estimates of provision for doubtful debts. It is also monitored through the FCA related procedures outlined above.

Liquidity risk

Liquidity risk is the risk that cash may not be available, or the assets cannot be liquidated at a reasonable cost, to pay obligations when they fall due. To guard against this risk, assets are managed with liquidity in mind maintaining a healthy balance of cash and cash equivalents. The maturity profile is monitored to ensure adequate liquidity is maintained.

ON BEHALF OF THE BOARD:



H P M Pénot - Director

Date: 15 March 2017

Metlife Investment Management Limited

Report of the Directors for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of asset management services. The company was authorised by the Financial Conduct Authority on 13 February 2015 to carry out certain regulated investment activities.

DIVIDENDS

The directors do not recommend payment of a dividend for the year ended 31 December 2016.

FUTURE DEVELOPMENTS

The directors will pursue continued growth of the assets under management from a combination of existing European-based clients as well as new clients.

GOING CONCERN

The financial statements have been prepared on a going concern basis. Further details are presented in note 1 on page 11.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

H P M Pénot
J Gulotta
J Pollaro
S Celso
P Wilson (appointed 2 September 2016)

Other changes in directors holding office are as follows:

J Tanyeri - resigned 17 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the

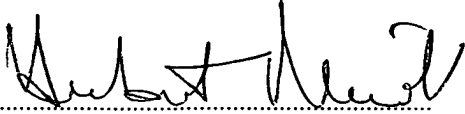
Metlife Investment Management Limited

Report of the Directors
for the Year Ended 31 December 2016

AUDITORS

The auditors, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'H P M Pénot', written over a dotted line.

H P M Pénot - Director

Date: 15 March 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METLIFE INVESTMENT MANAGEMENT LIMITED

We have audited the financial statements of Metlife Investment Management Limited (MIML) for the year ended 31 December 2016 which comprise of the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 13. 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 Republic of Ireland'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Metlife Investment Management Limited

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 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

As the company was exempt from audit under section 480 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.



Elanor Gill (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date: 15 March 2017

Metlife Investment Management Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2016

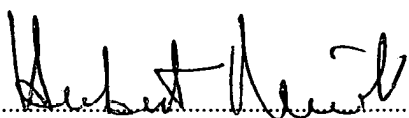
	Notes	31.12.16 £	31.12.15 £
TURNOVER		2,024,261	114,152
Administrative expenses		<u>(2,182,905)</u>	<u>(389,419)</u>
OPERATING LOSS and LOSS BEFORE TAXATION	4	(158,644)	(275,267)
Tax on loss	5	<u>(28,409)</u>	<u>(55,053)</u>
LOSS FOR THE FINANCIAL YEAR		(130,235)	(220,214)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		<u><u>(130,235)</u></u>	<u><u>(220,214)</u></u>

The notes form part of these financial statements

Balance Sheet
31 December 2016

	Notes	31.12.16 £	31.12.15 £
CURRENT ASSETS			
Debtors	6	757,417	163,675
Cash at bank		<u>2,129,099</u>	<u>2,653,000</u>
		2,886,516	2,816,675
CREDITORS			
Amounts falling due within one year	7	<u>436,964</u>	<u>236,888</u>
NET CURRENT ASSETS		<u>2,449,552</u>	<u>2,579,787</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,449,552</u>	<u>2,579,787</u>
CAPITAL AND RESERVES			
Called up share capital	9	2,800,001	2,800,001
Retained earnings	10	<u>(350,449)</u>	<u>(220,214)</u>
SHAREHOLDERS' FUNDS		<u>2,449,552</u>	<u>2,579,787</u>

The financial statements were approved by the Board of Directors on 15 March 2017 and were signed on its behalf by:



 H P M Pénot - Director

Metlife Investment Management Limited

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	2,800,001	-	2,800,001
Total comprehensive income	-	(220,214)	(220,214)
Balance at 31 December 2015	<u>2,800,001</u>	<u>(220,214)</u>	<u>2,579,787</u>
Changes in equity			
Total comprehensive income	-	(130,235)	(130,235)
Balance at 31 December 2016	<u>2,800,001</u>	<u>(350,449)</u>	<u>2,449,552</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Metlife Investment Management Limited is a private company, limited by shares, registered in the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The accounting policies adopted reflect United Kingdom Law and Accounting Standards. The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Financial reporting standard 102 - reduced disclosure exemptions

As a qualifying entity the company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The entities accounts are consolidated in the financial statements of the ultimate parent company, Metlife Inc (as disclosed in Note 11).

Turnover

Turnover is stated net of Value Added Tax. Turnover from the supply of services represents the value of services provided under contracts to the extent there is a right to consideration and is recorded at the value of the consideration due.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial Assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These are measured at amortised cost using the effective rate except for short-term receivable when the net effect is immaterial.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the entities accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The financial statements do not include any estimates.

With the exception of the forecasts made to assess going concern, there were no critical accounting judgements as the company's transactions to date have been straight forward.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review which forms part of the strategic report. The strategic report also describes the financial position of the company; its cash flows and liquidity position. The company meets its day to day working capital requirements through the initial shareholder funds invested. The company has a detailed capital adequacy policy in place in order that it meets the requirements of its FCA registration.

The company's forecasts and projections show that the company will be able to operate with the capital resources it currently has for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

3. EMPLOYEES AND DIRECTORS

The company has no employees. Included in operating expenses are amounts paid of £890,154 (2015 £174,382) to Metlife Europe Services Limited for management services including staff.

Due to the relative size of the Company, the directors do not receive any emoluments (2015: £nil). The directors were employed and remunerated by other group entities and as such it is not practical to allocate costs due to the fact that their services are nil due to their activities being minimal.

	31.12.16	31.12.15
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	31.12.16	31.12.15
	£	£
Auditors' remuneration	<u>21,000</u>	<u>21,000</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

5. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	31.12.16	31.12.15
	£	£
Deferred tax	(28,409)	(55,053)
Tax on loss	(28,409)	(55,053)

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	£	£
Trade debtors	3,166	-
Amounts owed by group undertakings	51,955	-
Deferred tax asset	83,462	55,053
Called up share capital not paid	1	1
Prepayments and accrued income	618,833	108,621
	<u>757,417</u>	<u>163,675</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	£	£
Trade creditors	14,198	10,140
Amounts owed to group undertakings	29,109	110,701
Social security and other taxes	169,752	11
Other creditors	50,977	-
Accrued expenses	172,928	116,036
	<u>436,964</u>	<u>236,888</u>

8. DEFERRED TAX

	£
Balance at 1 January 2016	(55,053)
Losses carried forward	(28,409)
Balance at 31 December 2016	<u>(83,462)</u>

The company has unused trading losses amounting to £428,411 (2015 £275,267) available to carry forward and offset against profits of future years. The deferred tax provision is expected to reverse in 2018 due to the forecasted profits for the year ended 31 December 2018.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.16	31.12.15
			£	£
2,800,001	Ordinary	1	<u>2,800,001</u>	<u>2,800,001</u>