

Registered number: OC307893

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Members' report and financial statements

for the year ended 31 December 2016

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BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

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BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Information

Members	Barings Real Estate UK Holdings Ltd Barings Real Estate Advisers (Continental Europe) Ltd
LLP registered number	OC307893
Registered office	Southwest House 11a Regent Street London SW1Y 4LR
Independent auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL
Bankers	Lloyds Banking Group 25 Gresham Street London EC2V 7HN

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Members' Report for the year ended 31 December 2016

The members present their annual report together with the audited financial statements of Barings Real Estate Advisers Europe Finance LLP ("the LLP" or "the Firm") for the year ended 31 December 2016.

RESULTS

The total comprehensive loss for the year after taxation amounted to £323,437 (2015: £209,747).

PRINCIPAL ACTIVITIES

The LLP was incorporated on 6 May 2004 and commenced trading on that date.

The principal object of the LLP is to provide real estate investment management services.

DESIGNATED MEMBERS

Barings Real Estate UK Holdings Ltd and Barings Real Estate Advisers (Continental Europe) Ltd were designated members of the LLP throughout the period.

MEMBERS' CAPITAL AND INTERESTS

Details of changes in members' capital and interests in the year ended 31 December 2016 are set out in the financial statements.

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP. Profits are divided between the members in accordance with the members' agreement and money will only be drawn when the Firm has sufficient funds to maintain and develop the business.

EMPLOYEES

It is the LLP's policy to treat all employees and potential employees equally and to give full consideration to suitable applications for employment from disabled persons, where they have the necessary abilities and skills for the position, and wherever possible to retrain employees who become disabled, so that they can continue their employment, if necessary in another position.

GOING CONCERN

As at 31 December 2016 the Firm has net assets of £1,266,745 (2015: £1,590,182). The members consider that the financial resources available to Barings Real Estate Advisers Europe Finance LLP are adequate to meet its operational needs for the foreseeable future. Consequently, the going concern basis has been adopted in preparing these financial statements.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Members' Report for the year ended 31 December 2016

AUDITOR

The members who held office at the date of approval of this members' report confirm that, so far as they are each aware, there is no relevant audit information of which the Firm's auditor is unaware; and each member has taken all the steps that he/she ought to have taken as a member to make himself/herself aware of any relevant audit information and to establish that the Firm's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, as applied to the Firm by the Limited Liability Partnerships (Accounts and Audit) Application of Companies Act Regulations 2008 the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the members on ~~2 February~~ 2017 and signed on their behalf by:

27 MARCH



CJ Karbowicz
Director, Barings Real Estate UK Holdings Ltd
(Designated member)

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Members' Responsibilities Statement for the Year Ended 31 December 2016

MEMBERS' RESPONSIBILITIES STATEMENT

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Independent auditor's report to the members of Barings Real Estate Advisers Europe Finance LLP

We have audited the financial statements of Barings Real Estate Advisers Europe Finance LLP for the year ended 31 December 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 members of the limited liability partnership (LLP), as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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.

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 FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the LLP'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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Independent auditor's report to the members of Barings Real Estate Advisers Europe Finance LLP

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 LLP's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information or explanations we require for our audit.



Henry Todd (Senior statutory auditor)
for and on behalf of
KPMG LLP
Statutory auditor
15 Canada
Square Canary
Wharf London
E14 5GL

Date: 31/3/17

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	1.4	2,430,547	2,433,090
Cost of sales		(860,705)	(1,168,076)
		<hr/>	<hr/>
Gross Profit		1,569,842	1,265,014
Administrative expenses		(1,887,594)	(1,433,281)
		<hr/>	<hr/>
Operating loss	2	(317,752)	(168,267)
Interest receivable and similar income		33,851	12,687
Interest payable and similar charges		-	(11,836)
		<hr/>	<hr/>
Loss on ordinary activities for the financial year before and after taxation		(283,901)	(167,416)
Other comprehensive income for the year			
Unrealised gains / (losses) on revaluation of investments		133,960	(103,619)
Unrealised foreign exchange (losses) / gains		(173,496)	61,288
		<hr/>	<hr/>
Total comprehensive loss for the year		(323,437)	(209,747)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 10 to 18 form part of these financial statements.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Balance Sheet As at 31 December 2016

		2016	2015
	Note	£	£
Fixed assets			
Tangible assets	5	3,179	3,066
Investments	6	42,988	294,857
		<u>46,167</u>	<u>297,923</u>
Current assets			
Investments	7	406,773	-
Debtors	8	2,328,353	1,912,646
Cash at bank and in hand		102,136	414,237
		<u>2,837,262</u>	<u>2,326,883</u>
Creditors: Amounts due within one year	9	<u>(670,066)</u>	<u>(402,027)</u>
Net current assets		<u>2,167,196</u>	<u>1,924,856</u>
Total assets less current liabilities		<u>2,213,363</u>	<u>2,222,779</u>
Creditors: Amounts due after more than one year	10	<u>(946,618)</u>	<u>(632,597)</u>
Net assets attributable to members		<u>1,266,745</u>	<u>1,590,182</u>
Represented by:			
Members' other interests			
Members Capital		2,293,328	2,293,328
Other Reserves		<u>(1,026,583)</u>	<u>(703,146)</u>
		<u>1,266,745</u>	<u>1,590,182</u>
Total members' interests		<u>1,266,745</u>	<u>1,590,182</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 27 March 2017.



C J Karbowicz
Director, Barings Real Estate UK Holdings Ltd (Designated member)

The notes on pages 10 to 18 form part of these financial statements.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Statement of Changes in Equity As at 31 December 2016

	Members capital (Classified as equity) £	Retained earnings £	Total equity £
Members' interests: balance at 1 January 2015	2,143,328	(493,399)	1,649,929
Total Comprehensive Loss available for discretionary division among members	-	(209,747)	(323,437)
Members' interests after loss for the year	2,143,328	(703,146)	1,440,182
Capital amounts introduced by members	150,000	-	150,000
Members' interests: balance at 31 December 2015	2,293,328	(703,146)	1,590,182

	Members capital (Classified as equity) £	Retained earnings £	Total equity £
Members' interests: balance at 1 January 2016	2,293,328	(703,146)	1,590,182
Total Comprehensive Loss available for discretionary division among members	-	(323,437)	(323,437)
Members' interests after loss for the year	2,293,328	(1,026,583)	1,266,745
Capital amounts introduced by members	-	-	-
Members' interests: balance at 31 December 2016	2,293,328	(1,026,583)	1,266,745

The notes on pages 10 to 18 form part of these financial statements.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements were prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102" or "the Standard") as applied to the Firm by the Limited Liability Partnerships (Accounts and Audit) Application of Companies Act Regulations 2008 and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships". The Financial Reporting Standard The presentation currency of these financial statements is sterling.

The Partnership is itself a subsidiary Partnership and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Partnership as an individual undertaking and not about its group, details of which are provided in note 13.

The preparation of financial statements in compliance with Financial Reporting Standard 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the entity's accounting policies (see note 15).

The following principal accounting policies have been applied:

1.2 Going concern

As at 31 December 2016 the Firm has net assets of £1,266,745 (2015: £1,590,182). The members consider that the financial resources available to Barings Real Estate Advisers Europe Finance LLP are adequate to meet its operational needs for the foreseeable future. Consequently, the going concern basis has been adopted in preparing these financial statements.

1.3 Cash flow

The LLP, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with section 1.12 of the Financial Reporting Standard FRS 102.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Firm and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Firm will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

1. ACCOUNTING POLICIES (continued)

1.5 Investments

Fixed asset investments are recorded at cost less provision for impairment. Under the transition arrangements of FRS 102, these investments were initially recorded at deemed cost, being the carrying amount of the assets at the date of transition as determined under the LLP's previous GAAP. Investments which are not expected to be held for continuing use in the business are classified as current assets and valued at fair value.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Firm adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The estimated useful life for computer equipment is three years.

1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised interest using the effective interest method, less any impairment.

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash.

1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.10 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

1. ACCOUNTING POLICIES (continued)

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Comprehensive Income.

1.12 Pensions

Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payments obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are shown in accruals in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

1.13 Interest Income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

1.14 Tax system

Taxation payable on profits earned during the year is the liability of the members.

The LLP's overseas branch is subject to local corporation tax on its profits for the year. This is then offset against the individual tax liabilities of the members.

1.15 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

2. OPERATING LOSS

The operating loss is stated after charging:

	2016	2015
	£	£
Auditor's remuneration for audit of the financial statements	25,290	26,300
Other fees to auditors for taxation services	7,500	7,500
Depreciation	696	251
	<u>33,486</u>	<u>34,051</u>

3. EMPLOYEES

	2016	2015
	£	£
Wages and salaries	1,272,159	971,601
Social security	36,507	32,645
Pension costs	145,508	107,961
Other benefits	7,426	6,938
Total	<u>1,461,600</u>	<u>1,119,145</u>

The average number of employees during the year was:

	2016	2015
Administration	1	1
Professional	3	3
Total	<u>4</u>	<u>4</u>

4. INFORMATION IN RELATION TO MEMBERS

	2016	2015
The average number of members during the year was	<u>2</u>	<u>2</u>

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

5. TANGIBLE FIXED ASSETS

	Computer equipment
Cost	£
At 1 January 2016	14,976
Additions	809
At 31 December 2016	<u>15,785</u>
 Depreciation	
At 1 January 2016	11,910
Charge owned for the period	696
At 31 December 2016	<u>12,606</u>
 Net book value	
At 31 December 2016	<u>3,179</u>
At 31 December 2015	<u>3,066</u>

6. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies	Unlisted investments	Total
	£	£	£
Valuations			
At 1 January 2016	141,138	153,718	294,856
Additions during the year	20,896	-	20,896
Fixed assets investments reclassified as current assets	(119,046)	(153,718)	(272,764)
At 31 December 2016	<u>42,988</u>	<u>-</u>	<u>42,988</u>
 Net book value			
At 31 December 2016	<u>42,988</u>	<u>-</u>	<u>42,988</u>
At 31 December 2015	<u>141,138</u>	<u>153,718</u>	<u>294,856</u>

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

6. FIXED ASSET INVESTMENTS (continued)

Investments in subsidiary companies comprise investments in management companies and general partners of collective investment schemes managed by the Firm. Unlisted investments comprise equity participations in the Cornerstone German Retail Fund and Nordic Retail Fund which are two of the collective investments schemes the Firm has established.

Both these funds are due to be wound down within the next twelve months and accordingly these investments have been re-classified as current assets together with the associated subsidiary investments in the management companies and general partners that manage these funds as indicated in the table below.

The following were subsidiary undertakings of the LLP as at 31 December 2016:

Name	Class of shares	Holding	Registered Address	Status
Protego Real Estate Investors GP Ltd *	Ordinary	100%	11A Southwest House, Regent Street, London, SW1Y 4LR	Dormant
PREIF Holdings Limited Partnership *	Ordinary	100%	Blue Square House, 272 Bath Street, Glasgow, Scotland, G2 4JR	Dormant
Cornerstone German Retail Fund General Partner BV *	Ordinary	90%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
Munster Borkstrasse General Partner BV *	Ordinary	100%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
Lanario General Partner BV *	Ordinary	100%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
Zafferano General Partner BV *	Ordinary	100%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
Triguero General Partner BV *	Ordinary	100%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
Bremerhaven General Partner GbmH *	Ordinary	100%	Mareisring 14, 83620 Feldkirchen-Westerham, Germany	Active
N.R.F. Management Company S.à.r.l. *	Ordinary	100%	2-8 Avenue Charles de Gaulle, L1653 Luxembourg	Active
Barings Core Fund GP Sarl	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Core Fund LP Sarl	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Value Add GP S.a.r.l	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Value Add LP S.a.r.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active

* Denotes investment in subsidiary has been reclassified as a current asset at year end.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

7. CURRENT ASSET INVESTMENTS

	Investments in subsidiary companies £	Unlisted investments £	Total £
Valuations			
Investments reclassified from fixed assets at cost	119,046	153,718	272,764
Revaluation of current asset investments	101,121	32,888	134,009
At 31 December 2016	<u>220,167</u>	<u>186,606</u>	<u>406,773</u>

Reclassifications from fixed asset investments represent investments in collective investment schedules and their management companies due to be wound down within the next twelve months as explained in more detail in note 6. They have been recorded at their net asset value at year end as a best estimate of their fair value."

8. DEBTORS

	2016 £	2015 £
Trade debtors	409,194	614,599
Amounts owed to group undertakings	1,332,745	1,074,522
Other taxation and social security	128,006	6,419
Other debtors	458,408	217,106
	<u>2,328,353</u>	<u>1,912,646</u>

Amounts owed by group undertakings are interest free and payable on demand.

9. CREDITORS:

Amounts falling due within one year

	2016 £	2015 £
Trade creditors	22,126	(1,819)
Other taxation and social security	137,874	16,388
Other creditors and accruals	510,065	387,458
	<u>670,066</u>	<u>402,027</u>

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

10. CREDITORS:**Amounts falling due in more than one year**

	2016	2015
	£	£
Other creditors and accruals	946,618	632,597

Other creditors and accruals represent amounts payable to staff under long term incentive scheme.

11. OPERATING LEASE COMMITMENTS

At 31 December 2016 the LLP had the total of future minimum lease payments under non-cancellable operating leases for the each of the following periods as follows:

	2016	2015
	£	£
Expiry date:		
Not later than one year	-	32,764
Later than one year and not later than five years	223,245	22,033
	<hr/>	<hr/>
Total	223,245	54,797
	<hr/>	<hr/>

During the year £64,858 of lease payments was expensed in statement of comprehensive income (2015: £68,468).

12. RELATED PARTY TRANSACTIONS

The LLP has taken advantage of the exemption under section 1.12 of the Financial Reporting Standard FRS 102 ("Related Party Disclosures") and has not disclosed transactions with group undertakings owned 100% by Barings Real Estate UK Holdings Limited.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The LLP is under the control of the members. The ultimate UK holding company in which the results of the LLP are consolidated is Barings Real Estate UK Holdings Limited ("BRE UKH").

BRE UKH is directly owned and controlled by Barings LLC ("BREA LLC") which is incorporated in the U.S.A. and is itself ultimately owned and controlled by Massachusetts Mutual Life Insurance Company ("MassMutual"). Both these companies are incorporated in the U.S.A.

The largest group in which the results of the LLP are consolidated is that headed by MassMutual and can be found on their website and the smallest group in which they are consolidated is that headed by BRE UKH.

The financial statements of CRE UKH can be obtained from the company's trading address and single alternative inspection location at Southwest House, 11A Regent Street, London, SW1Y 4LR.

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements For the Period Ended 31 December 2016

14. CONTINGENT LIABILITIES

The LLP had no contingent liabilities at year end.

15. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The members do not believe that there are any judgements or estimates that they have made in the application of these accounting policies that have a significant effect on the financial statements or have a significant risk of material adjustment in the next year.

16. POST BALANCE SHEET EVENTS

No significant events have occurred since the Balance Sheet date that require disclosure in the financials statements.