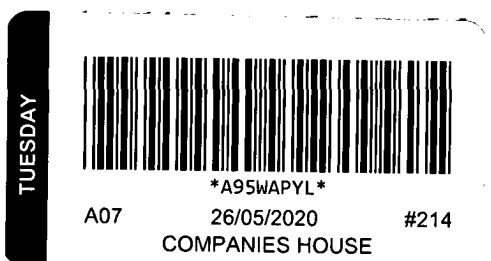

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Members' report and financial statements

for the year ended 31 December 2019



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 Limited Barings Real Estate Advisers (Continental Europe) Limited
LLP registered number	OC307893
Registered office	20 Old Bailey London EC4M 7BF
Independent auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

Members' Report for the year ended 31 December 2019

The members present their annual report together with the audited financial statements of Barings Real Estate Advisers Europe Finance LLP ("the LLP") for the year ended 31 December 2019.

RESULTS

The total comprehensive loss for the year after taxation amounted to £1,965,651 (2018: £2,761,407).

BUSINESS REVIEW

The principal activity of the LLP was to provide real estate investment management services. The LLP is an indirect, wholly owned subsidiary of Barings Europe Limited (together with its other subsidiaries, "the Group"). The LLP is presently subject to a group reorganisation and in 2019 all its regulated activity has been transferred to other Group companies. Thus at 17 December 2019 the LLP ceased to be registered with the Financial Conduct Authority ('FCA'). The consequences of the transfer of all assets under management of the LLP, prior to its liquidation, are that the turnover for the year has fallen to £151,468 (2018: £1,083,520) and that the LLP made a loss for the year of £1,965,651 (2018 : £2,761,407).

The members have considered the impact of the COVID-19 global pandemic, which has resulted in unprecedented risks and significant levels of volatility and reduced asset prices in global equity and bond markets. The pandemic is not however expected to have any negative impact on the plans to liquidate the LLP as all its client contracts have already been transferred to other Group entities.

GOING CONCERN

It is intended that the LLP will be liquidated by 31 December 2020 and so the members do not therefore believe that the going concern basis is appropriate for the preparation of these financial statements, as stated in Note 1.2.

RISK MANAGEMENT

The Group manages its risks on a group-wide basis and in accordance with a risk framework approved by the Risk, Regulatory & Audit Oversight Committee ('RR&AOC'). The RR&AOC, which derives its delegated authorities from the Barings Europe Limited Board, is responsible for the design and implementation of the Group's risk management processes and controls.

The Organisational Risk function, reporting to the Chief Risk Officer - Europe, supports the RR&AOC in the identification, assessment, management and monitoring of risks within the Group's global operations.

The principal risk types, and the Group's approach to managing each of these risks, are set out below:

i) Strategic risks

The most significant strategic risks facing the Group are a decline in business due either to:

- External factors, such as a credit risk, market risk and liquidity risk or
- Internal factors, for example a substantial period of poor investment management performance.

The Group manages these risks by offering a widely distributed range of products, both by asset class and geographical spread, by changing or adapting its product offering to meet market conditions and needs, and by monitoring and reviewing investment performance on a regular ongoing basis.

Members' Report for the year ended 31 December 2019 (continued)

RISK MANAGEMENT (continued)

ii) Operational risks

The Group manages its operational risks, including strategic, business, reputational and regulatory risks, under the umbrella of 'organisational risk'. To ensure that these risks are effectively and consistently managed, the Group has implemented a framework of processes which are set out in the Group's Organisational Risk Management Policy. This includes processes for:

- Reporting and analysis of loss events and near misses;
- Periodic risk assessments;
- Analysis of key risk indicators.

The Group manages the business through a committee structure. The principal committee is the European Management Team ("EMT") and it is responsible for the effective management and co-ordination of the Group's business and organisational affairs. Members of the EMT and senior line managers are responsible for ensuring that effective risk management exists within their areas. Local line management is responsible for the day-to-day management of risks and for the effective operation of risk controls where appropriate.

The EMT and senior line managers regularly consider the most significant organisational risks facing the Group. These risks are identified, assessed, monitored and reported from a top-down perspective. The potential for the occurrence of a risk event is assessed in conjunction with the analysis of internal and external data. The analysis of emerging risks, industry trends and other environmental factors is also considered to facilitate proactive, forward-looking risk identification. Particularly for strategic risks, management expertise and experience is as important as empirical data in identifying and assessing risk. The Group's Significant Risk Profile is defined by the EMT and senior line managers. The Significant Risk Profile is reviewed at each EMT meeting and formally assessed by an annual full top-down review and update.

DESIGNATED MEMBERS

Barings Real Estate UK Holdings Limited and Barings Real Estate Advisers (Continental Europe) Limited 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 2019 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 LLP has sufficient funds to maintain and develop the business.

EMPLOYEES

The Group is committed to equal opportunities with the clear intention that individuals should be judged on their merits and capabilities regardless of sex, age, race, religion, ethnic origin or disability. The Group places considerable emphasis and value on its policy of encouraging internal communication between employees and management. Employees are kept informed on matters which affect them and on the performance of the business as a whole through bulletins, newsletters and briefing sessions.

Members' Report for the year ended 31 December 2019 (continued)

EMPLOYEES (continued)

The Group attaches a high priority to developing the skills of all employees and to their training and, where necessary, their retraining. The performance assessment system assists management in career development and succession planning. Promotion from within the Group is strongly supported. The Group encourages the involvement of all of its employees in its overall performance and profitability through discretionary bonus and profit sharing incentive schemes, which are based on the financial results of the Group and Barings LLC.

ENVIRONMENT

The Group is a professional and environmentally conscious organisation, which acknowledges the impact that its operations may potentially have on the environment. The clear objective of the Group is to minimise any impact on the environment by:

- Preventing pollution, reducing waste and ensuring that wherever practical, measures are implemented to protect and preserve natural habitats, flora and fauna;
- Considering the effects that its operations may have on the local community;
- Taking action to eliminate or reduce, as far as practicable, any potentially adverse environmental impacts;
- Promoting environmental awareness amongst its suppliers, contractors and partners by implementation of operational procedures;
- Seeking to work in partnership with the community by behaving in a considerate and socially responsible manner; and
- Ensuring effective and expedient incident control, investigation and reporting.

The Group complies with the duties placed upon it within the requirements of Statutory Legislation, whilst at all times complying with, as a matter of best practice, the requirements and duties set out within Approved Guidance as issued by the Environment Agency and other organisations. The Group takes all practical steps to ensure that potential hazards and risks to the environment are identified and that suitable and effective prevent and control measures are implemented. The members have overall responsibility for all environmental matters.

OVERSEAS BRANCH

The LLP has an overseas branch in the Netherlands which it operated during the year.

BRITAIN EXITING FROM THE EU ("BREXIT")

The UK left the EU on 31 January 2020, immediately entering into a transition or implementation period (the "Implementation Period"). During the Implementation Period, a standstill is in place, whereby pre-Brexit trading arrangements between the EU27 and the UK continue. The purpose of the Implementation Period is to allow time for a new deal on the future relationship between the EU and UK to be negotiated. During the Implementation Period, the UK remains in the EU27's Customs Union and Single Market, but outside its political institutions. The Implementation Period will expire at the end of 2020, although the withdrawal agreement contains provisions enabling it to be amended for up to two years.

The uncertainty regarding the trading arrangements that will apply after the Implementation Period is not however expected to have any negative impact on the afore mentioned plans to liquidate the LLP as all its client contracts have already been transferred to other Group entities. From a group perspective however, Barings remains committed to protecting its clients and global franchise from any adverse impact from Brexit. It continues to monitor developments and will make such adjustments to its Brexit strategy as may prove necessary or desirable from time to time.

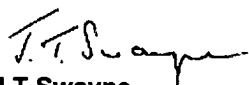
Members' Report for the year ended 31 December 2019 (continued)

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 LLP'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 LLP's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, as applied to the LLP 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 20 April 2020 and signed on their behalf by:



J T Swayne

Director, Barings Real Estate UK Holdings Limited (Designated member)

Registered Number: 07076171

20 Old Bailey

London

EC4M 7BF

Statement of members' responsibilities in respect of the Members' Report and the Financial Statements

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) FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

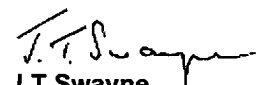
Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so. As explained in the Members' Report and in note 1 to the financial statements, the members do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

On behalf of the Members



J T Swayne

Director, Barings Real Estate UK Holdings Limited (Designated member)

Company registration number: 07076171

20 Old Bailey

London

EC4M 7BF

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Opinion

We have audited the financial statements of Barings Real Estate Advisers Europe Finance LLP ("the LLP") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non going concern basis of preparation

We draw attention to the disclosure made in the Members' Report and note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Other information

The members are responsible for the other information, which comprises the Members' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 6, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP'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 they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the 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.

Sinead O'Reilly

Sinead O'Reilly (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square,
London
E14 5GL

23 April 2020

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Statement of Comprehensive Income for the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover	1.4	151,468	1,083,520
Cost of Sales		<u>(53,837)</u>	<u>(93,092)</u>
Gross Profit		97,631	990,428
Administrative expenses		<u>(2,080,920)</u>	<u>(3,843,233)</u>
Operating loss	2	(1,983,289)	(2,852,805)
Interest receivable and similar income		—	86
Investment gains, including impairment		—	101,013
Foreign exchange gains / (losses)		<u>17,638</u>	<u>(9,701)</u>
Loss for the financial year before members' remuneration and loss share available for discretionary division among members		<u>(1,965,651)</u>	(2,761,407)
Total comprehensive loss for the financial year before members' remuneration and loss share available for discretionary division among members		<u><u>(1,965,651)</u></u>	<u><u>(2,761,407)</u></u>

All activities of the LLP are expected to be discontinued by 31 December 2020.

The notes on pages 12 to 17 form part of these financial statements.


BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Balance Sheet as at 31 December 2019

	Notes	2019 £	2018 £
Current assets			
Tangible assets		1,842	3,179
Investments	5	686	516,158
Debtors	6	297,097	533,450
Cash at bank and in hand		1,094,831	3,402,425
		<u>1,394,456</u>	<u>4,455,212</u>
Creditors: Amounts due within one year	7	<u>(1,338,536)</u>	<u>(2,833,641)</u>
Net assets attributable to members		<u><u>55,920</u></u>	<u><u>1,621,571</u></u>
Represented by:			
Members' other interests			
Members' capital classified as equity		6,193,328	5,793,328
Members' other interests - other reserves classified as equity		<u>(6,137,408)</u>	<u>(4,171,757)</u>
		<u><u>55,920</u></u>	<u><u>1,621,571</u></u>
Total members' interests		<u><u>55,920</u></u>	<u><u>1,621,571</u></u>

The notes on pages 12 to 17 form part of these financial statements.

The financial statements were approved by the members and signed on their behalf by :


J T Swayne

Director, Barings Real Estate UK Holdings Limited (Designated member)

Company registration number: 07076171

20 April 2020

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Statement of Changes in Equity as at 31 December 2019

	Members' capital classified as equity	Members' other interests - other reserves classified as equity	Total equity
	£	£	£
Members' interests: balance at 1 January 2018	2,793,328	(1,410,350)	1,382,978
Total comprehensive loss for the financial year before members' remuneration and loss share available for discretionary division among members	—	(2,761,407)	(2,761,407)
Members' interests after loss for the year	2,793,328	(4,171,757)	(1,378,429)
Capital amounts introduced by members	3,000,000	—	3,000,000
Members' interests: balance at 31 December 2018	5,793,328	(4,171,757)	1,621,571

	Members' capital classified as equity	Members' other interests - other reserves classified as equity	Total equity
	£	£	£
Members' interests: balance at 1 January 2019	5,793,328	(4,171,757)	1,621,571
Total comprehensive loss for the financial year before members' remuneration and loss share available for discretionary division among members	—	(1,965,651)	(1,965,651)
Members' interests after loss for the year	5,793,328	(6,137,408)	(344,080)
Capital amounts introduced by members	400,000	—	400,000
Members' interests: balance at 31 December 2019	6,193,328	(6,137,408)	55,920

The notes on pages 12 to 17 form part of these financial statements.

Notes to the Financial Statements for the year ended December 2019

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements were prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006, as applied to the LLP by the Limited Liability Partnerships (Accounts and Audit) Application of Companies Act Regulations 2008 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The financial statements are prepared in pound sterling, which is the functional currency of the LLP.

The LLP is included in the consolidated financial statements of Barings Europe Limited, which are prepared in accordance with FRS 102 and so the LLP is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. In preparing the financial statements of the LLP, advantage has been taken of the exemptions available under FRS 102 to not prepare a Cash Flow Statement.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

1.2 Going concern

As detailed in note 12, it is intended to liquidate the LLP and transfer its activities to Group entities. The members have therefore determined not to prepare the financial statements on a going concern basis. The non going concern basis was adopted first at 31 December 2018 and the following policies and procedures were implemented:

- all assets, including investments in subsidiaries and tangible assets, were considered as realisable, hence classified as current assets;
- all assets have been disclosed at values at which they are expected to be realised; and
- all liabilities reflect the full amount at which they are expected to materialise.

1.3 Consolidated financial statements

When preparing the financial statements of the LLP advantage has been taken of exemptions, available under Section 400 of the Companies Act 2006 and FRS 102, from the requirement to prepare consolidated financial statements. The basis for the exemption is that the LLP is a wholly owned indirect subsidiary undertaking of Barings Europe Limited, a company established under the law of an EEA state, that prepares consolidated financial statements that are publicly available.

1.4 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP 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:

- the amount of revenue can be measured reliably;
- it is probable that the LLP 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.

Notes to the Financial Statements for the year ended December 2019

1. ACCOUNTING POLICIES (continued)

1.5 Tangible assets

Tangible assets are stated at their net realisable value.

1.6 Investments

Investments by the LLP in subsidiary undertakings are classified as current assets and stated at their net realisable value.

1.7 Basic Financial Instruments

Trade and other debtors are recognised on the balance sheet when the LLP becomes a party to the contractual provisions of the instrument at the transaction price less the attributable transaction costs.

Trade and other creditors are recognised initially at the transaction price plus the attributable transaction costs.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or where they have been transferred and the LLP has also transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the liability is discharged.

Cash at bank comprises cash balances.

1.8 Operating leases

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

1.9 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.

1.10 Pensions

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 payment 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 LLP in independently administered funds.

1.11 Interest Income

Interest income is recognised in the Statement of Comprehensive Income as it accrues.

Notes to the Financial Statements for the year ended December 2019

1. ACCOUNTING POLICIES (continued)

1.12 Tax system

Taxation payable/reclaimable on profits/losses earned is the liability/asset of the members.

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

1.13 Long Term Incentive Schemes

The LLP made deferred compensation awards to some senior members of staff. The deferred compensation awards were expensed over the period from the date that the award was granted to the date the award was paid. The liability was recorded as a current liability in 2018.

2. OPERATING LOSS

The operating loss is stated after charging:

	2019	2018
	£	£
Auditor's remuneration for audit of the financial statements	10,000	18,000
Other fees to auditor for regulatory and taxation services	10,000	15,800
	<u>20,000</u>	<u>33,800</u>

3. EMPLOYEES

	2019	2018
	£	£
Wages and salaries	1,593,663	2,258,146
Social security	18,932	59,953
Pension costs	47,894	131,937
Other benefits	938	981
	<u>1,661,427</u>	<u>2,451,017</u>

	2019	2018
Average number of employees during the year	2	5

4. INFORMATION IN RELATION TO MEMBERS

	2019	2018
The average number of members during the year	<u>2</u>	<u>2</u>

BARINGS REAL ESTATE ADVISERS EUROPE FINANCE LLP

Notes to the Financial Statements for the year ended December 2019

5. CURRENT ASSET INVESTMENTS

	Investments in subsidiary companies	Unlisted investments	Total
	£	£	£
At 1 January 2019	414,161	101,997	516,158
Investments sold to fellow subsidiary	(414,161)	(101,312)	(515,473)
At 31 December 2019	<u>—</u>	<u>685</u>	<u>685</u>

Current asset investments have been recorded at their net asset value at the year end as a best estimate of their fair value.

The below investments held at 31 December 2018, in management companies and general partners of collective investment schemes managed by the LLP, were transferred on 1 April 2019 at book value to a subsidiary within the Group as part of the Group's reorganisation. The transfer was accounted for using merger accounting.

Name	Class of shares	Holding	Registered Address	Status
Barings European Core Property Fund GP S.ar.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings European Core Property Fund LP S.ar.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Real Estate European Value Add I GP S.ar.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Real Estate European Value Add I LP S.ar.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Barings Core Fund Feeder 1 GP S.ar.l.	Ordinary	100%	6 Rue Eugène Ruppert, L-2453 Luxembourg	Active
Cornerstone German Retail Fund General Partner BV	Ordinary	90%	Beursplein 37, 3011 AA Rotterdam, The Netherlands	Active
N.R.F. Management Company S.ar.l.	Ordinary	100%	2-8 Avenue Charles de Gaulle, L1653 Luxembourg	Active
Prôtego Real Estate Investors GP Limited	Ordinary	100%	20 Old Bailey, London, EC4M 7BF	Dormant
PREIF Holdings Limited Partnership	Ordinary	100%	Blue Square House, 272 Bath Street, Glasgow, Scotland, G2 4JR	Dormant

The unlisted investments at 31 December 2018 comprised equity participations in the Cornerstone German Retail Fund and Nordic Retail Fund which are two of the collective investments schemes the LLP established. The holding in the Cornerstone German Retail Fund was disposed of by the LLP in 2019.

Notes to the Financial Statements for the year ended December 2019

6. DEBTORS

	2019	2018
	£	£
Trade debtors	—	122,849
Amounts owed from Group undertakings	273,753	325,002
Other taxation and social security	3,294	14,484
Other debtors	20,050	71,115
	<u>297,097</u>	<u>533,450</u>

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

7. CREDITORS:

Amounts falling due within one year

	2019	2018
	£	£
Amounts payable to Group undertakings	—	655,534
Other taxation and social security	13,758	49,029
Other creditors and accruals	1,324,778	2,129,078
	<u>1,338,536</u>	<u>2,833,641</u>

8. OPERATING LEASE COMMITMENTS

At 31 December 2019 the LLP had total future minimum lease payments under non-cancellable operating leases for the each of the following periods:

	2019	2018
	£	£
Not later than one year	44,712	66,430
Later than one year and not later than five years	29,808	99,652
Later than five years	—	—
Total	<u>74,520</u>	<u>166,082</u>

During the year £69,613 of lease payments were expensed in the statement of comprehensive income (2018: £65,614).

9. RELATED PARTY TRANSACTIONS

The LLP is a wholly owned subsidiary of Massachusetts Mutual Life Insurance Company which prepares consolidated financial statements. It has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has therefore not separately disclosed transactions or balances with entities which form part of the Massachusetts Mutual Life Insurance Group.

Notes to the Financial Statements for the year ended December 2019

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The LLP's indirect parent company is Barings Europe Limited and ultimate parent company is Massachusetts Mutual Life Insurance Company. The ultimate controlling party is Massachusetts Mutual Life Insurance Company.

The largest group in which the results of the LLP are consolidated is that headed by Massachusetts Mutual Life Insurance Company. The consolidated financial statements of Massachusetts Mutual Life Insurance Company can be found on their website.

The smallest group in which the results are consolidated is that headed by Barings Europe Limited. The financial statements of Barings Europe Limited can be obtained from the LLP's registered office at 20 Old Bailey, London, EC4M 7BF.

11. 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 the accounting policies that have a significant effect on the financial statements or have a significant risk of material adjustment in the next year.

12. GROUP REORGANISATION

On 9 March 2016 MassMutual announced its intention to merge Barings LLC (formerly Babson Capital Management LLC) with three of its affiliate subsidiaries Barings Real Estate Advisors LLC (formerly Cornerstone Real Estate Advisors LLC), Baring Asset Management Limited and Wood Creek Capital Management LLC. On 12 September 2016 the integration completed successfully, and the unified group is now operating under the Barings name.

As part of the merger, Barings Europe Limited ("BEL") was established on 5 June 2017 to act as the regional holding company for the non-IFPRU entities within the European business. Baring Asset Management Limited and Barings Real Estate UK Holdings Limited ("BREUKH") were transferred to BEL on 29 December 2017. The LLP is a subsidiary of BREUKH and as such was transferred as part of this group restructuring.

Upon a review of the new group, and to meet the needs of all its clients post Brexit, the fund management and advisory contracts of the LLP have been transferred to other Group companies and it is intended that the LLP will be liquidated by 31 December 2020.

13. POST BALANCE SHEET EVENTS

The spread of COVID-19 around the world in the first quarter of 2020 has caused significant volatility in global markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.K. and international economies and, as such, the LLP is actively monitoring the extent of the impact to its operations, financial accounting and reporting. There was no impact to the LLP's annual accounts as of 31 December 2019. There are no other subsequent events that have occurred up until the date that the financial statements were available to be issued that the LLP believes necessitates disclosure or adjustment.