

Berkeley Partners LLP

Members' report and financial statements

For the year ended 31 December 2015

Registered number: OC332951

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Contents

Members' report	1
Statement of members' responsibilities in respect of the Members' Report and the financial statements	3
Independent auditor's report to the members of Berkeley Partners LLP	4
Partnership profit and loss account	6
Partnership balance sheet	7
Partnership cash flow statement	8
Notes to financial statements	9

Members' report

The members present their report and financial statements for Berkeley Partners LLP ("the Partnership") for the year ended 31 December 2015.

Principal Activities

The Partnership acts as a private equity fund manager specialising in renewable energy infrastructure investments in developing markets.

Business Review

Having been established in December 2009 with €50m of commitments, the Renewable Energy Asia Fund LP (REAF) and its parallel vehicle, Renewable Energy Asia Fund 'A' LP (REAF A) (collectively the "Fund") ended fund raising in 2011 with a total of €86m, committed from 14 limited partners. The final close of the fund was 29 April 2011.

The Partnership manages the Fund under a management agreement with the General Partner, REAF GP (Scotland) Limited.

The Partnership has one wholly owned subsidiary at 31 December 2015:-

Name	Role	% ownership	Location
REAF GP (Scotland) Limited	General Partner of GP LP	100%	Scotland

Members

The members of the Partnership throughout the year and at 31 December were:

TC Kundi
A.C. Vere Nicoll

Mr TC Kundi and Mr Vere Nicoll are Designated Members.

Members' report (*continued*)

Members' Capital

Under the terms of the Members' Agreement, each Initial Member shall contribute the amount resolved to be contributed by unanimous resolution, to ensure that the Partnership maintains sufficient regulatory capital for FCA purposes. As at 31 December 2015, £5,000 (2014: £5,000) members' capital has been classified as equity, with £40,000 (2014: £40,000) of capital recorded as a liability. Note 10 to the financial statements provides details of members' interests.

Members' Profits and Losses

Members' profits and losses are allocated between the members based on their respective profit share during the financial year. Drawings are paid from time to time and are based on the schedule of members' drawings as agreed between the members.

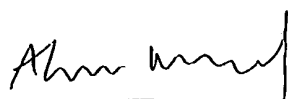
Disclosure of information to auditor

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

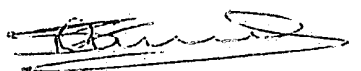
Auditor

Pursuant to Section 489 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Members on 11 May 2016.



Alastair Vere Nicoll
Designated member



TC Kundl
Designated member

Statement of member's responsibilities in respect of the Members' Report and the financial statements

The members are responsible for preparing the Members' Report and the LLP 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 LLP financial statements for each financial year. Under that law the members have elected to prepare the LLP 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 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; 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.

Independent auditor's report to the members of Berkeley Partners LLP

We have audited the financial statements of Berkeley Partners LLP for the year ended 31 December 2015 set out on pages 6 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 relevant legal and regulatory requirements 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 affairs of the LLP as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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.

Independent auditor's report to the members of Berkeley Partners LLP (continued)

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 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.



Henry Todd (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

12 May 2016

**Partnership profit and loss account
for the year ended 31 December 2015**

	<i>Note</i>	Year ended 31-Dec-15 £	Year ended 31-Dec-14 £
Turnover	2	1,731,884	1,973,139
Operating expenses	3	(1,590,801)	(1,741,314)
Operating profit		141,083	231,825
Other interest receivable and similar income		20	17
Forex losses		(14,398)	(7,354)
Profit for the financial year before members' remuneration and profit shares		126,705	224,488
Result for the financial year available for discretionary division among members		126,705	224,488

The Partnership has no recognised gains and losses other than the profit above and therefore no separate statement of comprehensive income has been presented.

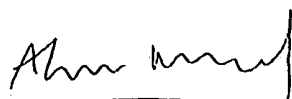
All the results shown in the above profit and loss account are from continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

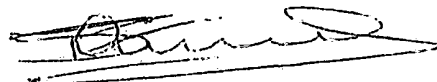
Partnership balance sheet
as at 31 December 2015

	Note	31-Dec-15	31-Dec-14
		£	£
Fixed Assets			
Investment in subsidiaries	6	1,214,281	1
Tangible fixed assets	7	9,591	5,733
		<u>1,223,872</u>	<u>5,734</u>
Current assets			
Debtors and prepayments	8	159,396	367,038
Cash at bank and in hand	13	121,373	150,122
Total current assets		<u>280,769</u>	<u>517,160</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	422,011	477,873
Net current (liabilities)/ assets		<u>(141,242)</u>	<u>39,287</u>
Net assets attributable to members		<u>1,082,630</u>	<u>45,021</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital treated as liability	10	40,000	40,000
Members' other interests - Other reserves		1,037,630	21
		<u>1,077,630</u>	<u>40,021</u>
Member's Other Interest			
Members' capital	10	5,000	5,000
Loans and other debts due to members		1,077,630	40,021
		<u>1,082,630</u>	<u>45,021</u>

These financial statements were approved by the members on 11 May 2016 and were signed on their behalf by:



Alastair Vere Nicoll
Designated member



TC Kundi
Designated member

The notes on pages 9 to 17 form part of these financial statements.

Partnership Cash Flow Statement
for the year ended 31 December 2015

	Notes	Year ended 31 Dec 2015 £	Year ended 31 Dec 2014 £
Cash flow from operating activities	11	280,607	119,230
Cash flows from investing activities			
Interest received	12	20	17
Capital expenditure and financial investment	12	(1,220,280)	(6,500)
Disposal of subsidiaries	12	-	129,251
Net cash from investing activities		(1,220,260)	122,768
Transactions with members	12	910,904	(191,465)
(Decrease)/Increase in cash in the year		(28,749)	50,533
Cash and cash equivalents at start of year		150,122	99,589
Cash and cash equivalent at end of year		121,373	150,122

The notes on pages 9 to 17 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2015

1 Accounting policies

Berkeley Partners LLP (the "LLP") is a limited liability partnership domiciled in the UK.

The LLP is exempt by virtue of s381 to the small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the LLP as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Partnership has made no measurement and recognition adjustments. Furthermore, the Partnership has not taken advantage of any of the first adoption exemptions granted under FRS 102.

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements are prepared on a going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention, in accordance with FRS102 and the Limited Liability Partnerships Act 2000. The financial statements have also been prepared in accordance with the Statement of Recommended Practice for Limited Liability Partnerships issued by the Consultative Committee of Accountancy Bodies.

Turnover

Management and consultancy fees are earned on an accruals basis by spreading the income evenly over the period to which they relate.

Expenses

Expenses are accounted for on an accruals basis.

Taxation

Income tax, being the individual liability of each member, is not provided for in the accounts of the Partnership.

Cash

Cash comprises cash at hand and bank balances.

Notes (continued)

1 Accounting policies (continued)

Fixed asset investment in subsidiaries

Fixed asset investments are valued at cost less any impairment in value.

Operating leases

Leasehold improvements are depreciated over the remainder of the lease.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned.

IT hardware and fixtures and fittings are depreciated over useful life of 3 years on a straight line basis (33.3% per annum).

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Transactions in foreign currencies are recorded in sterling using the rate of exchange ruling at the date of the transaction. All differences are recognised in the profit and loss account.

Functional currency

The members consider that the functional currency of the Partnership is Sterling and the financial statements are presented on this basis.

Recognition of grants

Grants received are recognised as income during the year when certain conditions are met.

Going concern

The Partnership has net current liabilities due to service fee and management fee received in advance.

The deferred income will be offset in the next accounting period. Consequently, the Manager has prepared financial statements on going concern basis and has not identified any material uncertainties that may cast doubt about the ability of the Partnership to continue as a going concern. Consequently, the Members have prepared the Partnership financial statements on a going concern basis.

Notes (continued)

2 Turnover

	2015	2014
	£	£
Management fees	1,257,038	1,271,336
ADB grant	-	69,736
Advisory fee	270,596	246,261
Expenses recovered	204,250	381,006
Director's fees	-	4,800
	<u>1,731,884</u>	<u>1,973,139</u>

3 Operating profit

	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation	2,142	2,996
Auditors remuneration - audit fee	48,887	30,000
Other services related to taxation paid to the auditor	<u>4,398</u>	<u>2,000</u>

4 Staff members and costs

	2015	2014
	£	£
Staff costs include the following:		
Wages and salaries	97,489	91,287
Social security costs	<u>58,444</u>	<u>39,221</u>
	<u>155,933</u>	<u>130,508</u>

The average number of staff employed by the Partnership (excluding members) during the year was 3 (2014: 3).

5 Taxation

Taxation for the Partnership, being the individual liability of each member, is not provided for in the accounts.

Notes (continued)

6 Fixed asset investment

The Partnership holds investment in one subsidiary, REAF GP (Scotland) Limited.

	2015	2014
	£	£
Balance brought forward 1 Jan	1	129,252
Movement in year	1,214,280	(129,251)
Balance carried forward at 31 Dec	<u>1,214,281</u>	<u>1</u>

Movement in the year represents the amount invested by the Partnership to finance the exit of Mr Robert Renfrew who resigned in 2014.

Subsidiaries of the Partnership	£
REAF GP (Scotland) Limited – (100% ownership)	1,214,280
	<u>1,214,281</u>

7 Fixed assets

	Computer & office equipment £	Total Fixed Assets £
<i>Cost</i>		
At 1 January 2015	14,113	14,113
Additions	<u>6,000</u>	<u>6,000</u>
At 31 December 2015	<u>20,113</u>	<u>20,113</u>
<i>Depreciation</i>		
At 1 January 2015	8,380	8,380
Provided for the year	<u>2,142</u>	<u>2,142</u>
At 31 December 2015	<u>10,522</u>	<u>10,522</u>
<i>Net book value</i>		
At 31 December 2015	<u>9,591</u>	<u>9,591</u>
At 31 December 2014	<u>5,733</u>	<u>5,733</u>

Notes (continued)

8 Debtors and prepayments

	2015	2014
	£	£
Due from REAF General Partner L.P.	10,861	-
Due from projects	143,735	9,411
VAT	-	7,281
Service fees paid in advance	-	47,805
Other debtors	4,800	16,541
Advisory fees	-	136,000
Due from Partners	-	150,000
	<u>159,396</u>	<u>367,038</u>

9 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	22,614	32,000
Q1 2016 GPS	110,400	338,040
Service fee in advance	234,920	-
Due to REAF GP L.P.	-	91,434
Accruals	54,077	16,399
	<u>422,011</u>	<u>477,873</u>

Notes (continued)

10 Reconciliation of members' interests

Partnership	<u>Members' other interests</u>	<u>Loans and other debts due to members</u>	<u>Total members' interests</u>
	Members' capital (classified as equity)	Member's capital (treated as a liability)	Other amounts
	£	£	£
Members' interests at 1 January 2015	5,000	40,000	21
Capital introduced	-	-	1,214,280
Members' capital repaid	-	-	(4,488)
Result for the financial year available for discretionary division among members	-	-	126,705
Members' interests after profit for the year	5,000	40,000	1,336,518
Drawings	-	-	(298,888)
Members' interests at 31 December 2015	5,000	40,000	1,037,630

The average number of members during the year was 2. The highest paid member of the Partnership was allocated profits of £ 171,000 (2014: £148,500).

In the event of a winding up of the Partnership, monies due to creditors will be paid before any distributions of loans and other debts due to members.

Notes (continued)

11 Reconciliation of profit for the year to operating cash flows

	Year ended 2015 £	Year ended 2014 £
Profit before members remuneration and profit share	126,705	224,488
Depreciation charges	2,142	2,996
Interest received	(20)	(17)
Decrease/(increase) in debtors	207,642	(274,743)
(Decrease)/increase in creditors	(55,862)	166,506
Net cash inflow from operating activities	<u>280,607</u>	<u>119,230</u>

12 Analysis of cash flows

	Year ended 2015 £	Year ended 2014 £
Returns on investment and servicing of finance		
Interest received	<u>20</u>	<u>17</u>
	<u>20</u>	<u>17</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(6,000)	(6,500)
Investment in REAF GP (Scotland) Limited	(1,214,280)	-
	<u>(1,220,280)</u>	<u>(6,500)</u>
Disposal of subsidiaries	<u>-</u>	<u>129,251</u>
Transactions with members		
Drawings paid to members of the Partnership	(298,888)	(203,214)
Members capital repaid	(4,488)	(129,251)
Capital introduced	<u>1,214,280</u>	<u>141,000</u>
	<u>910,904</u>	<u>(191,465)</u>

13 Analysis of cash - Partnership

	At 31 Dec 2015 £	Cash flow £	At 31 Dec 2014 £
Cash at bank and in hand	<u>121,373</u>	<u>(28,749)</u>	<u>150,122</u>

Notes (continued)

14 Lease commitments

The Partnership has a total of future minimum lease payments under non-cancellable operating leases as set out below:-

	31 Dec 2015 Land & buildings £	31 Dec 2014 Land & buildings £
Operating lease that expires:		
Within one year	-	10,780
In the second to fifth years inclusive	-	-
After 5 years	-	-

The only lease on the office building expired during 2015 and it was decided not to renew the lease and subsequently the London office was closed.

15 Related party disclosures

The Partnership acts as fund manager to the following Limited Partnerships:-

Renewable Energy Asia Fund L.P.
Renewable Energy Asia Fund 'A' L.P.

Members of the Partnership have an interest in the carried interest of the Fund and hold an interest in the General Partner, REAF General Partner LP.

All Partnership income is from related parties. Of management fees £1,091,242 are from REAF GP (Scotland) and £165,796 are from REAF Interim. Of advisory fees £83,995 are from Berkeley Energy Africa Limited and £186,601 are from Berkeley Energy Limited. In addition expenses of £66,111 were recoverable from projects and expenses of £138,139 were recoverable from Berkeley Energy Singapore.

The Partnership has drawn £110,400 (€150,000) from Q1 2016 management fee in advance.

The Partnership is due to receive £10,861 from REAF General Partner LP for audit fees.

The Partnership has paid £1,013,745 to Berkeley Energy Renewables Singapore Private Limited and £34,835 to Berkeley Energy India Private Limited as service fee for the year. The Partnership has also paid £50,000 service fee to Berkeley Energy Renewables Singapore Private Limited in advance.

Berkeley Energy Limited invested an amount of £1,214,280 in the Partnership during the year.

Notes (continued)

16 Ultimate controlling party

At 31 December 2015 the ultimate controlling parties were Mr TC Kundi and Mr A Vere Nicoll. These members held a significant influence due to the terms of the Partnership agreement.

17 Post Balance Sheet Event

Berkeley Partners LLP is the manager of Renewable Energy Asia Fund LP ("REAF"). REAF owns two companies in Mauritius, Berkeley Energy Hydro Mauritius Limited ("BEHML") and Berkeley Energy Wind Mauritius Limited ("BEWML"). The corporate secretary and local director, NinetyEast Corporate (Mauritius) Limited ("NinetyEast"), went under Receivership on 12th April 2016. The Financial Services Commission of Mauritius has cancelled all NinetyEast regulatory licences on 15th April 2016. NinetyEast has been removed from the banking mandate of BEHML and BEWML. Axis Fiduciary Limited have been appointed to replace NinetyEast. There has been no impact on the normal business operation of BEHML and BEWML.