

Berkeley Partners LLP

Members' report and financial statements

For the year ended 31 December 2016

Registered number: OC332951

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Members' report

The members present their report and financial statements for Berkeley Partners LLP ("the Partnership") for the year ended 31 December 2016.

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 "Fund I") ended fund raising in 2011 with a total of €86m, committed from 14 limited partners. The final close of Fund I was 29 April 2011. Renewable Energy Asia Fund II LP (REAF II) and its parallel vehicle, Renewable Energy Asia Fund II 'A' LP (REAF A) (collectively "Fund II") were established in 2015. As at 31 December 2016, Fund II had a total commitment of USD 128m from 12 limited partners.

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

The Partnership has one wholly owned subsidiary at 31 December 2016:

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 2016, £5,000 (2015: £5,000) members' capital has been classified as equity, with £40,000 (2015: £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.

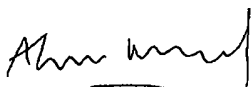
Disclosure of information to auditor

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.

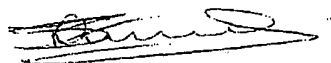
Auditor

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 06th April 2017.



Alastair Vere Nicoll
Designated member



TC Kundi
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 2016 set out on pages 6 to 16. 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 2016 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

~~06~~ April 2017

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Income Statement
for the year ended 31 December 2016

	<i>Note</i>	Year ended 31-Dec-16 £	Year ended 31-Dec-15 £
Turnover	2	3,050,894	1,731,884
Operating expenses	3	(2,836,120)	(1,590,801)
Operating profit		214,774	141,083
Other interest receivable and similar income		26	20
Forex losses		(22,564)	(14,398)
Profit for the financial year before members' remuneration and profit shares		192,236	126,705
Result for the financial year available for discretionary division among members		192,236	126,705

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

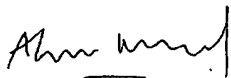
All the results shown in the above profit and loss account are from continuing operations.

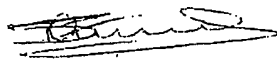
The notes on pages 9 to 16 form part of these financial statements.

**Statement of Financial Position
as at 31 December 2016**

	<i>Note</i>	31-Dec-16	31-Dec-15
		£	£
Fixed Assets			
Investment in subsidiaries	5	1,214,281	1,214,281
Tangible fixed assets	6	8,144	9,591
		<u>1,222,425</u>	<u>1,223,872</u>
Current assets			
Debtors and prepayments	7	41,410	159,396
Cash at bank and in hand	12	66,953	121,373
Total current assets		<u>108,363</u>	<u>280,769</u>
Current Liabilities			
Creditors: amounts falling due within one year	8	265,922	422,011
Net current liabilities		<u>(157,559)</u>	<u>(141,242)</u>
Net assets attributable to members		<u>1,064,866</u>	<u>1,082,630</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital treated as liability	9	40,000	40,000
Members' other interests - Other reserves		1,019,866	1,037,630
		<u>1,059,866</u>	<u>1,077,630</u>
Member's Other Interest			
Members' capital	9	5,000	5,000
Loans and other debts due to members		1,059,866	1,077,630
		<u>1,064,866</u>	<u>1,082,630</u>

These financial statements were approved by the members on 06th April 2017 and were signed on their behalf by:


Alastair Vere Nicoll
Designated member


TC Kundli
Designated member

The notes on pages 9 to 16 form part of these financial statements.

Cash Flow Statement
for the year ended 31 December 2016

	Notes	Year ended 31 Dec 2016 £	Year ended 31 Dec 2015 £
Cash flow from operating activities	10	157,977	280,607
Cash flows from investing activities			
Interest received	11	26	20
Capital expenditure and financial investment	11	(2,423)	(1,220,280)
Net cash from investing activities		(2,397)	(1,220,260)
Transactions with members	11	(210,000)	910,904
Decrease in cash in the year		(54,420)	(28,749)
Cash and cash equivalents at start of year		121,373	150,122
Cash and cash equivalent at end of year		66,953	121,373

The notes on pages 9 to 16 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies

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

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 and amended in July 2015, and in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnership (Applications of Companies Act 2006) Regulations 2008 and Statement of Recommended Practice 'Accounting for Limited Liability Partnerships' issued on March 2010.

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.

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.

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 payable.

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

Notes (continued)

2 Turnover

	2016	2015
	£	£
Management fees	2,498,203	1,257,038
Advisory fee	-	270,596
Expenses recovered	-	204,250
Establishment costs	552,691	-
	<u>3,050,894</u>	<u>1,731,884</u>

3 Operating profit

	2016	2015
	£	£
Operating profit is stated after charging:		
Depreciation	3,870	2,142
Auditors remuneration - audit fee	48,800	48,887
Other services related to taxation paid to the auditor	4,000	4,398
Other expenses	2,779,450	1,535,374
	<u>2,836,120</u>	<u>1,590,801</u>

4 Staff members and costs

	2016	2015
	£	£
Staff costs include the following:		
Wages and salaries	72,813	97,489
Social security costs	35,657	58,444
	<u>108,470</u>	<u>155,933</u>

The average number of staff employed by the Partnership (excluding members) during the year was 3 (2015: 3).

Notes (continued)

5 Fixed asset investment

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

	2016	2015
	£	£
Balance brought forward 1 Jan	1,214,281	1
Movement in year	-	1,214,280
Balance carried forward at 31 Dec	<u>1,214,281</u>	<u>1,214,281</u>

Subsidiaries of the Partnership

REAF GP (Scotland) Limited – (100% ownership)

£
1,214,280
<u>1,214,280</u>

6 Fixed assets

	Computer & office equipment £	Total Fixed Assets £
<i>Cost</i>		
At 1 January 2016	20,113	20,113
Additions	<u>2,423</u>	<u>2,423</u>
At 31 December 2016	<u>22,536</u>	<u>22,536</u>
<i>Depreciation</i>		
At 1 January 2016	10,522	10,522
Provided for the year	<u>3,870</u>	<u>3,870</u>
At 31 December 2016	<u>14,392</u>	<u>14,392</u>
<i>Net book value</i>		
At 31 December 2016	<u>8,144</u>	<u>8,144</u>
At 31 December 2015	<u>9,591</u>	<u>9,591</u>

Notes (continued)

7 Debtors and prepayments

	2016	2015
	£	£
Due from REAF General Partner L.P.	-	10,861
Due from projects	10,796	143,735
Due from REAF GP Scotland	25,814	-
Other debtors	4,800	4,800
	<u>41,410</u>	<u>159,396</u>

8 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	880	22,614
GPS in advance	-	110,400
Service fee in advance	-	234,920
Service fee payable	200,000	-
Accruals	65,042	54,077
	<u>265,922</u>	<u>422,011</u>

Notes (continued)

9 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 2016	5,000	40,000	1,037,630
Result for the financial year available for discretionary division among members	-	-	192,236
Members' interests after profit for the year	5,000	40,000	1,229,866
Drawings	-	-	(210,000)
Members' interests at 31 December 2016	5,000	40,000	1,019,866

The average number of members during the year was 2. The highest paid member of the Partnership was allocated profits of £156,883 (2015: £171,000).

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)

10 Reconciliation of profit for the year to operating cash flows

	Year ended 2016 £	Year ended 2015 £
Profit before members' remuneration and profit share	192,236	126,705
Depreciation charges	3,870	2,142
Interest received	(26)	(20)
Decrease in debtors	117,986	207,642
Decrease in creditors	(156,089)	(55,862)
Net cash inflow from operating activities	<u>157,977</u>	<u>280,607</u>

11 Analysis of cash flows

	Year ended 2016 £	Year ended 2015 £
Returns on investment and servicing of finance		
Interest received	<u>26</u>	<u>20</u>
	<u>26</u>	<u>20</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,423)	(6,000)
Investment in REAF GP (Scotland) Limited	-	(1,214,280)
	<u>(2,423)</u>	<u>(1,220,280)</u>
Transactions with members		
Drawings paid to members of the Partnership	(210,000)	(298,888)
Members capital repaid	-	(4,488)
Capital introduced	-	1,214,280
	<u>(210,000)</u>	<u>910,904</u>

12 Analysis of cash - Partnership

	At 31 Dec 2016 £	Cash flow £	At 31 Dec 2015 £
Cash at bank and in hand	<u>66,953</u>	<u>(54,420)</u>	<u>121,373</u>

Notes (continued)

13 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.
Renewable Energy Asia Fund II L.P.
Renewable Energy Asia Fund II '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 and REAF II General Partner LP.

All Partnership income is from related parties. Of management fees £2,498,203 are from REAF GP (Scotland) Limited. Of establishment costs £552,691 are from REAF GP (Scotland) Limited.

The Partnership is due to receive £25,814 from REAF GP (Scotland) Limited for Q4 management fees.

The Partnership has paid £1,368,985 to Berkeley Energy Renewables Singapore Private Limited, £161,298 to Berkeley Energy India Private Limited, £21,073 to Berkeley Energy Limited and £197,138 to Berkeley Energy Africa Limited as service fee for the year. The Partnership is due to pay £200,000 service fee to Berkeley Energy Renewables Singapore Private Limited.

14 Ultimate controlling party

At 31 December 2016, the ultimate controlling party was Berkeley Energy Limited.