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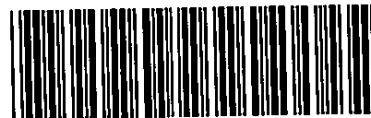
## **RWC Asset Management LLP**

**Report And Financial Statements**

*31 December 2012*

**Rees Pollock  
Chartered Accountants**

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COMPANIES HOUSE

**INFORMATION**

<b>Designated Members</b>	RWC Partners Limited D Mannix
<b>LLP registered number</b>	OC332015
<b>Registered office</b>	60 Petty France London SW1H 9EU
<b>Auditors</b>	Rees Pollock 35 New Bridge Street London EC4V 6BW
<b>Bankers</b>	HSBC Bank plc 6 Commercial Way Woking Surrey GU21 6EZ
<b>Solicitors</b>	Dechert 160 Queen Victoria Street London EC4V 4QQ

## **MEMBERS' REPORT**

for the year ended 31 December 2012

The members present their annual report together with the audited financial statements of RWC Asset Management LLP (the LLP) for the year ended 31 December 2012.

### **Principal activities**

The principal activity of the LLP is to provide investment management services

### **Results for the period and allocation to members**

The profit for the period available for discretionary division among members was £nil (2011 - £nil)

### **Designated Members**

RWC Partners Limited and P Harrison were designated members of the LLP throughout the period. P Harrison resigned as a designated member on 28 February 2013.

Subsequent to the year end, D Mannix was appointed as a designated member on 6 February 2013

### **Policy with respect to members' drawings and subscription and repayment of members' capital**

Any profits are shared among the Members on the basis of the Members' Agreement dated 21 December 2007

Policies for Members' drawings, subscriptions and repayment of Members' capital are governed by the same agreement.

### **Pillar III disclosures**

In accordance with the disclosures required by the FSA under BIPRU 11.3, the LLP's pillar III disclosure is available via its website [www.rwcpartners.com](http://www.rwcpartners.com).

### **Statement of Members' responsibilities**

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the LLP and of the incoming resources and application of resources 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Company law requires that the members must not approve the financial statements unless they are satisfied that they give a true and fair view

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**MEMBERS' REPORT (continued)**  
**for the year ended 31 December 2012**

**Auditors**

In so far as the members are aware:

- there is no relevant audit information of which the LLP's auditors are unaware; and
- the members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

A proposal to appoint Rees Pollock as auditors for the ensuing period will be considered at the next members' meeting.

This report was approved by the members on 18 April 2013 and signed on their behalf, by.



G Bainbridge as a director of  
RWC Partners Limited



# REESPOLLOCK

*Chartered Accountants*

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RWC ASSET MANAGEMENT LLP

We have audited the financial statements of RWC Asset Management LLP for the year ended 31 December 2012, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditors**

As explained more fully in the Members' responsibilities statement, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements.

### **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 2012 and of its results 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 by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### **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 by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, 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.

Simon Rees (Senior statutory auditor)  
for and on behalf of  
**Rees Pollock, Statutory Auditor**

22 April 2013

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2012

	Note	2012 £	2011 £
<b>TURNOVER</b>	1,2	18,135,078	23,018,097
Administrative expenses		(162,068)	(34,202)
<b>OPERATING PROFIT</b>	3	17,973,010	22,983,895
Interest receivable		1,164	1,208
<b>PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>		17,974,174	22,985,103
<b>PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>		17,974,174	22,985,103
Members' remuneration charged as an expense		(17,974,174)	(22,985,103)
<b>RESULT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>		-	-

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account.

The notes on pages 8 to 11 form part of these financial statements.

**BALANCE SHEET**  
 as at 31 December 2012

	Note	£	2012 £	2011 £
<b>CURRENT ASSETS</b>				
Debtors	6	3,895,035	2,574,020	
Cash at bank		4,494,240	3,750,693	
		<u>8,389,275</u>	<u>6,324,713</u>	
<b>CREDITORS: amounts falling due within one year</b>	7	<u>(565,984)</u>	<u>(473,662)</u>	
<b>NET CURRENT ASSETS</b>			<u>7,823,291</u>	<u>5,851,051</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>7,823,291</u></u>	<u><u>5,851,051</u></u>
<b>REPRESENTED BY:</b>				
<b>Loans and other debts due to members within one year</b>				
Other amounts			7,268,291	5,291,051
<b>Equity</b>				
Members' other interests - Members' Capital classified as equity under FRS 25			555,000	560,000
			<u>7,823,291</u>	<u>5,851,051</u>
<b>TOTAL MEMBERS' INTERESTS</b>				
Amounts due from members (included in debtors)			(1,684,430)	(944,424)
Loans and other debts due to members			7,268,291	5,291,051
Members' other interests			<u>555,000</u>	<u>560,000</u>
	8		<u><u>6,138,861</u></u>	<u><u>4,906,627</u></u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 18 April 2013.



G Bainbridge as a director of  
RWC Partners Limited

The notes on pages 8 to 11 form part of these financial statements.

**CASH FLOW STATEMENT**  
for the year ended 31 December 2012

	<b>Note</b>	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Net cash flow from operating activities	9	17,484,323	26,252,249
Returns on investments and servicing of finance	10	1,164	1,208
Net cash flow from transactions with members	10	(16,741,940)	(23,172,375)
<b>INCREASE IN CASH IN THE YEAR</b>		<u>743,547</u>	<u>3,081,082</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
for the year ended 31 December 2012

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Increase in cash in the year	<u>743,547</u>	<u>3,081,082</u>
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<u>743,547</u>	<u>3,081,082</u>
Net funds at 1 January 2012	<u>3,750,693</u>	<u>669,611</u>
<b>NET FUNDS AT 31 DECEMBER 2012</b>	<u>4,494,240</u>	<u>3,750,693</u>

The notes on pages 8 to 11 form part of these financial statements.



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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2012

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice (SORP) "Accounting by Limited Liability Partnerships" published on 31 March 2006.

**1.2 Turnover**

Turnover comprises revenue recognised by the LLP in respect of management fees receivable, exclusive of value added tax

**1.3 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 profit and loss account

**1.4 Financial instruments**

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

**2. TURNOVER**

The turnover shown in the profit and loss account represents fees receivable for investment management provided during the year and arising from continuing activities in the UK, stated net of value added tax

**3. OPERATING PROFIT**

The operating profit is stated after charging.

	2012 £	2011 £
Difference on foreign exchange	150,863	27,786

The audit fee for both years was borne by RWC Partners Limited

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2012

**4. PARTICULARS OF MEMBERS**

No salaries were paid to members during the year

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
The average number of members during the year was	12	13
	<b>£</b>	<b>£</b>
Profit allocation in respect of the member with the largest share of profits during the year	12,404,071	14,184,239

**5. STAFF COSTS**

The LLP had no employees during the year or the prior year.

**6. DEBTORS**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,198,394	1,539,888
Other debtors	12,211	17,562
Prepayments and accrued income	-	72,146
Amounts due from members and former members	1,684,430	944,424
	<b>3,895,035</b>	<b>2,574,020</b>

**7. CREDITORS:**

Amounts falling due within one year

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	134,744	184,287
Social security and other taxes	31,703	-
Accruals and deferred income	399,537	289,375
	<b>565,984</b>	<b>473,662</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2012

## 8. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Loans and debts due to members less any amounts due from members in debtors £	Total 2012 £	Total 2011 £
Amounts due to members b/fwd		5,291,051		
Amounts due from members b/fwd		(944,424)		
Members' interests balance at 1 January 2012	560,000	4,346,627	4,906,627	5,093,899
Members' remuneration charged as an expense	-	17,974,174	17,974,174	22,985,103
Members' interests after profit for the year	560,000	22,320,801	22,880,801	28,079,002
Amounts withdrawn by members	-	(16,736,940)	(16,736,940)	(23,172,375)
Capital amounts introduced by members	-	-	-	5,000
Capital amounts repaid to members	(5,000)	-	(5,000)	(5,000)
Members' interests at 31 December 2012	555,000	5,583,861	6,138,861	4,906,627
			2012 £	2011 £
Amounts due to members			7,268,291	5,291,051
Amounts due from members and former members			(1,684,430)	(944,424)
Net amount due to members			5,583,861	4,346,627

Members' other interests rank after unsecured creditors, and loans and other debts due to members rank pari passu with the unsecured creditors in the event of a winding up

## 9. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	17,973,010	22,983,895
(Increase)/decrease in debtors	(581,009)	2,797,404
Increase in creditors	92,322	470,950
Net cash inflow from operating activities	17,484,323	26,252,249

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2012
**10. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest received	1,164	1,208
	<u>1,164</u>	<u>1,208</u>
	2012 £	2011 £
<b>Transactions with members</b>		
Payments to members	(16,736,940)	(23,172,375)
Repayments to former members	(5,000)	(5,000)
Contributions by members	-	5,000
	<u>(16,741,940)</u>	<u>(23,172,375)</u>
<b>Net cash outflow from transactions with members</b>	<u>(16,741,940)</u>	<u>(23,172,375)</u>

**11. ANALYSIS OF CHANGES IN NET FUNDS**

	1 January 2012 £	Cash flow £	31 December 2012 £
Cash at bank and in hand	3,750,693	743,547	4,494,240
<b>Net funds</b>	<u>3,750,693</u>	<u>743,547</u>	<u>4,494,240</u>

**12. PARENT UNDERTAKING**

The LLP's immediate and ultimate parent undertaking is RWC Partners Limited, a company registered in England and Wales. RWC Partners Limited heads the smallest and largest group of companies for which consolidated accounts including the company's position and results are available. Copies of the consolidated accounts can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.