

LLP registered no: OC332015



RWC Asset Management LLP
Annual Report and Financial Statements

31 December 2015

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RWC Asset Management LLP

INFORMATION

Officers and professional advisors

Designated Members

D Mannix
RWC Partners Limited

Members

D Basile
N Davies
A Gambhir
P A Harrison
J Innes
L Keeling
P Kodeeswaran
I Lance
N Purves
J Teahan
P Soininen
M Wildschut

LLP registered number

OC332015

Registered office

60 Petty France
London
SW1H 9EU

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Bankers

HSBC Bank plc
6 Commercial Way
Woking
Surrey
GU21 6EZ

Solicitors

Dechert
160 Queen Victoria Street
London
EC4V 4QQ

RWC Asset Management LLP**Members' report for the year ended 31 December 2015**

The Members present their Annual Report together with the audited financial statements of RWC Asset Management LLP (the "Partnership") for the year ended 31 December 2015.

Principal activities

The principal activity of the Partnership is to provide investment management services and the Partnership intends to continue to provide these services for the foreseeable future. The Partnership is regulated by the Financial Conduct Authority. The Partnership was authorised as Alternative Investment Fund Manager for the purposes of Alternative Investment Fund Managers Directive ("AIFMD").

Results for the year and allocation to members

The result for the financial year available for discretionary division among Members was £nil (2014: £nil).

Designated Members

The Designated Members of the Partnership throughout the year and up until the date of signing were RWC Partners Limited and D Mannix.

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

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

Member's drawings

Each Member shall be entitled to draw at any time such sum in respect of his or her actual or anticipated Profit Share as may be specified in the Terms of Admission or as may be otherwise approved by the Managing Member in accordance with the LLP deed. Each Member's actual Drawings shall be debited to such Member's Distribution Account.

In any Accounting Year where Drawings have been made and the level of Drawings exceeds the relevant Member's Profit Share entitlement specified in the Terms of Admission, then such excess Drawings shall, unless otherwise agreed by the Managing Member, be treated as a loan by the Partnership to such Member and shall be set off against any allocation of Profit due to be made to such Member in subsequent Accounting Years.

Subscriptions and repayments of Members' capital

Upon their admission to the Partnership each Member shall contribute Capital to the Partnership. No interest shall be payable to the Members on the amount of any Member's Capital Contribution.

No Member shall have any right to demand the return of their Capital Contribution other than as set out in the Terms of Admission. For the avoidance of doubt, the Partnership may in its discretion withhold payment of any return of Capital Contributions or balances standing to the credit of a Member's Capital Account to the extent the Partnership would be in breach of its regulatory financial resources requirement, or (in the case of a departing Member) if arrangements satisfactory to the Managing Member have not been made by the existing or any new Members for Capital Contributions sufficient to replace such departing Member's Capital Contribution.

Pillar III disclosures

In accordance with the disclosures required by the FCA under BIPRU 11.3, the Partnership's Pillar III disclosure is available via its website www.rwcpartners.com.

RWC Asset Management LLP

Key performance indicators

Given the straightforward nature of the Partnership's accounts, the Members are of the opinion that analysis using key performance indicators is not necessary to gain an understanding of the development, performance or position of the business. Accordingly no such analysis has been undertaken.

Statement of Members' responsibilities

The Members are responsible for preparing the Annual Report and Financial statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") requires the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships 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 Partnership and of the profit or loss of the Partnership 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 Partnership will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

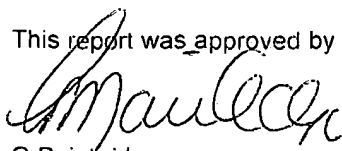
Provision of information to auditors

In so far as the Members are aware:

- there is no relevant audit information of which the Partnership'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.

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution will be proposed concerning their reappointment will be considered at the next Members' meeting.

This report was approved by the Members on 21 April 2016 and signed on their behalf, by:



G Bainbridge

For and on behalf of RWC Partners Limited (Designated Member)

Independent auditors' report to the members of RWC Asset Management LLP

Report on the financial statements

Our opinion

In our opinion, RWC Asset Management LLP's financial statements (the "financial statements"):

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2015 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

What we have audited

RWC Asset Management LLP's financial statements comprise:

- the Balance Sheet as at 31 December 2015;
- the Statement of comprehensive income for the year then ended;
- the Cash Flow Statement for the year then ended;
- the Statement of changes in members' interests for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Members

As explained more fully in the Statement of Members' Responsibilities set out on page 4, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with 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 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

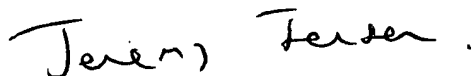
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Designated Members; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jeremy Jensen (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

22 April 2016

Statement of comprehensive income for the year end 31 December 2015

		2015	2014
	Note	£	£
Turnover	2	61,267,807	47,331,587
Administrative expenses		(4,429,068)	(4,820,789)
Operating profit	3	56,838,739	42,510,798
Interest receivable and similar income		16,786	17,193
Profit for the financial year before Members' remuneration and profit shares		56,855,525	42,527,991
Members' remuneration charged as an expense		(56,855,525)	(42,527,991)
Result for the financial year available for discretionary division among Members		-	-

All amounts relate to continuing operations.

The notes on pages 11 to 13 form part of these financial statements.

Balance Sheet as at 31 December 2015

	Note	£	2015 £	£	2014 £
Current assets					
Debtors	6	8,512,350		6,242,587	
Cash at bank and in hand		10,456,805		6,199,870	
		<u>18,969,155</u>		<u>12,442,457</u>	
Creditors: amounts falling due within one year	7	<u>(4,669,653)</u>		<u>(5,678,125)</u>	
Net current assets			<u>14,299,502</u>		<u>6,764,332</u>
Net assets attributable to Members:			<u>14,299,502</u>		<u>6,764,332</u>
Represented by:					
Loans and other debts due to Members within one year					
Other amounts			13,234,502		5,699,332
Members' other interests					
Members' Capital			1,065,000		1,065,000
			<u>14,299,502</u>		<u>6,764,332</u>
Total members' interests					
Amounts due from Members			(1,900,826)		(758,409)
Loans and other debts due to Members			13,234,502		5,699,332
Members' other interests			1,065,000		1,065,000
Members' total interests			<u>12,398,676</u>		<u>6,005,923</u>

The financial statements were approved and authorised for issue by the Members and were signed on their behalf on 22 April 2016



G Bainbridge

For and on behalf of RWC Partners Limited (Designated Member)

The notes on pages 11 to 13 form part of these financial statements.

Statement of changes in members' interests as at 31 December 2015

	Members' capital (classified as equity)	Loans and debts due to members less any amounts due from members in debtors	Total
	£	£	£
Members' interests: balance at 1 January 2014	565,000	12,080,806	12,645,806
Members' remuneration charges as an expense	-	42,527,991	42,527,991
Members' interests after profit for the year	565,000	54,608,797	55,173,797
Amounts withdrawn by members	-	(49,667,874)	(49,667,874)
Capital introduced by members	500,000	-	500,000
Members' interests: balance at 1 January 2015	1,065,000	4,940,923	6,005,923
Members' remuneration charged as an expense	-	56,855,525	56,855,525
Members' interests after profit for the year	1,065,000	61,796,448	62,861,448
Amounts withdrawn by members	-	(50,462,772)	(50,462,772)
Members' interests: balance at 31 December 2015	1,065,000	11,333,676	12,398,676

The notes on pages 11 to 13 form part of these financial statements.

Cash Flow Statement for the year ended 31 December 2015

	2015 £	2014 £
Cash flows from operating activities		
Operating profit	56,838,739	42,510,798
Adjustments for:		
(Increase)/decrease in debtors	(1,127,346)	1,354,116
(Decrease)/increase in creditors	(1,008,472)	3,502,358
Payment to members	(50,462,772)	(49,167,874)
Net cash generated from operating activities	4,240,149	(1,800,602)
Cash flows from investing activities		
Interest received	16,786	17,193
Net cash from investing activities	16,786	17,193
Net increase/(decrease) in cash and cash equivalents	4,256,935	(1,783,409)
Cash and cash equivalents at beginning of year	6,199,870	7,983,279
Cash and cash equivalents at end of year	10,456,805	6,199,870

The notes on pages 11 to 13 form part of these financial statements..

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

1. Accounting Policies

1.1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships". The Partnership transitioned from United Kingdom Generally Accepted Practice to Financial Reporting Standard 102 as at 1 January 2014. With regards to presentation, the Statement of changes in members' interests has been removed from the notes to the lead schedules, otherwise no changes of the financial statements were considered necessary.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management are also required to exercise judgment in applying the Partnership's accounting policies. Due to the straight forward nature of the business, management consider that no critical judgments have been made in applying the Partnership's accounting policies.

The principal accounting policies are set out below and have been applied consistently throughout the year.

1.2. 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.

1.3. Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Notes to the financial statements for the year ended 31 December 2015 (continued)

2. Turnover

The turnover shown in the statement of comprehensive income represents fees receivable for investment management services provided during the year and arising from continuing activities in the UK, exclusive of value added tax.

3. Operating Profit

The operating profit is stated after charging:

	2015 £	2014 £
Bank charges	15,373	8,065
Difference on foreign exchange	<u>233</u>	<u>4,723</u>

The audit fee for current and prior years was borne by RWC Partners Limited. The fee for the year ended 31 December 2015 was £20,952 (2014: £18,400).

4. Particulars of Members

No salaries were paid to Members during the year.

	2015 Number	2014 Number
The average number of Members during the year was	<u>12</u>	<u>12</u>
	£	£
Profit allocation in respect of the Member with the largest entitlement to profits during the year	<u>41,525,105</u>	<u>27,954,072</u>

5. Staff Costs

The Partnership had no employees during the year or the prior year as these are employed by other Group Undertakings.

6. Debtors

	2015 £	2014 £
Trade debtors	6,514,601	5,484,178
Amounts owed by Members	1,900,826	758,409
Other debtors	<u>96,923</u>	<u>-</u>
	<u>8,512,350</u>	<u>6,242,587</u>

Notes to the financial statements for the year ended 31 December 2015 (continued)

7. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	345,339	973,895
Amounts due to Group undertakings	2,782,126	3,441,447
Other creditors	-	17,615
Taxation and social security	551,955	397,461
Accruals and deferred income	990,233	847,707
	<u>4,669,653</u>	<u>5,678,125</u>

Amounts due to Group undertakings are unsecured, interest free and repayable on demand.

8. Ultimate parent undertaking and controlling party

The Partnership'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 financial statements including the Partnership's position and results are available. Copies of the consolidated financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

9. Related Party Transactions

As a subsidiary, the Partnership is exempt from disclosing related party transactions, under section 33 of FRS 102, with members of the Group, provided that any other subsidiary undertaking which is a party to the transaction is wholly-owned by a member of that group.