

Limited Liability Partnership Registration No. OC357957 (England and Wales)

EVERCORE PARTNERS INTERNATIONAL LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

MONDAY



A9KDAU37

A10

21/12/2020

#419

COMPANIES HOUSE

EVERCORE PARTNERS INTERNATIONAL LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

Evercore Partners Limited
Evercore Holdings Limited
Evercore Private Capital Advisory LP
Evercore Partners Investment Limited
Davinder Bahia
Julian Oakley
Crystal Corbin

Limited liability partnership number OC357957

Registered office

15 Stanhope Gate
London
United Kingdom
W1K 1LN

Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square
London
United Kingdom
EC4A 3HQ

Bankers

HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

Solicitors

Freshfields Bruckhaus Deringer
65 Fleet Street
London
United Kingdom
EC4Y 1HS

EVERCORE PARTNERS INTERNATIONAL LLP

CONTENTS

	Page
Members' report	1 - 3
Independent auditor's report	4 - 6
Statement of comprehensive income	7
Statement of financial position	8 - 9
Reconciliation of members' interests	10 - 11
Statement of cash flows	12
Notes to the financial statements	13 - 27

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The members present their annual report on the affairs of Evercore Partners International LLP ("LLP") together with the audited financial statements and auditor's report for the year ended 31 December 2019.

Principal activities

The LLP is the European Investment Banking arm of the Evercore Group, a premier independent investment banking advisory firm. Evercore's Investment Banking business advises its clients on mergers, acquisitions, divestitures, restructurings, financings, public offerings, private and secondary placements and other strategic transactions. The Members do not expect any change in the nature of the core activities in the foreseeable future and intend to focus on continuing to develop this business.

The results for 2019 showed a 1.8% decrease in turnover to £202.9m (2018: restated; £206.6m) while administrative expenses decreased by 6.8% to £98m (2018: restated; £105.1m). This result includes an inter group charge in relation to services provided to the LLP £24.3m (2018: £22.4m).

2018 restated turnover and administrative expenses includes a recognition of an additional £31.8m in relation to UK origination revenue sharing deals that was recognised on net basis in the prior year. More details can be found in notes 2 and 3 (pages 18-19).

Current year performance reflects a successful consolidation of the new hires through 2018/ 2019, and a continuing strong performance and healthy deal pipeline maintained by the established teams. The results and the financial position at the year-end were considered satisfactory by the members.

As at 31 December 2019, the LLP had net current assets of £167.5m (2018: £134.1m) and a cash balance of £51.3m (2018: £76.4m).

Principal risks and uncertainties

The principal risks and uncertainties inherent with the LLP's strategy include:

- Deal flow - there is a risk that prospective deals either do not complete or take longer than expected to complete,
- Worker development and retention - revenues from clients are directly linked both to our ability to win new mandates and then to successfully complete these mandates. Developing and retaining our workers is key to being able to effectively serve our clients; and
- Operational risk - the risk of a change in value caused by the fact that actual losses differ from expected losses and can include other classes of risk, such as fraud, group or physical risks.

In each case, the risks are formally reviewed by the Executive Committee and appropriate processes are in place to monitor and mitigate them to an acceptable level. The LLP conducts an annual review of the risks inherent within the business, assesses the impact of the risks and considers mitigating factors and controls in place.

The members are satisfied that the LLP operates systems and controls to mitigate any adverse effects across the range of risks it faces.

Key performance indicators (KPIs)

Throughout the year the Members monitor the LLP's Key Performance Indicators ("KPIs") which include advisory fees, revenue per Senior Managing Director, current pipeline (deal flow), compensation expense as a ratio of revenue, expenses as a ratio of revenue, and profit available for distribution.

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

Members' drawings, contributions and repayments

Individual members are entitled to a fixed and discretionary profit share and a share of distributable cash, to be determined by the Executive Committee in agreement with the Corporate member, Evercore Partners Limited. The Executive Committee may determine the amount of cash to be distributed in a period provided they do not agree to distribute an amount that would cause the LLP to be in breach of its regulatory capital requirements.

Policies for members' drawings, subscriptions and repayment of members' capital are governed by and set out in the LLP deed. Should the LLP require further capital funding, the LLP Deed provides for such a request to be made of the Corporate member, Evercore Partners Limited. Capital funding is made by way of an equity injection.

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

Evercore Partners Limited

Evercore Holdings Limited

Evercore Private Capital Advisory LP

Evercore Partners Investment Limited

Davinder Bahia

Julian Oakley

Crystal Corbin

(Appointed 9 December 2019)

Bruce Weir

(Resigned 31 January 2019)

The LLP has appointed an Executive Committee which has the authority to act on its behalf in all matters in connection with the business and shall carry out duties in such manner as it considers being in the best interest of the LLP.

During the year the Executive Committee comprised the Chairman - Andrew Sibbald, the CEO - Matthew Lindsey-Clark, the COO - Joe Chambers together with Mark Connell, Ed Banks, Julian Oakley, David Waring, Davinder Bahia, Sian Evans, Richard Anthony, Swagata Ganguly, Crystal Corbin and a representative of Evercore Partners Limited, all of whom were members of the LLP.

Future developments

Members remain focused on business development, key client relationships and optimisation of new business opportunities. The LLP plans to broaden its client relationships and develop the talent within the business whilst managing the cost base, with a view to generating additional member value and profits for retention within the business.

The COVID-19 pandemic has led to uncertain economic and market conditions. The Executive Committee are actively monitoring COVID-19 developments and evaluating their impact to the LLP. The Executive Committee have considered the LLP's systems and controls and believe that the LLP's procedures are sufficient to manage its risks. The Executive Committee assessed the health of balance sheet and believe that the LLP has sufficient financial resources for the foreseeable future. The Executive Committee have a reasonable expectation that the LLP is a going concern, and the financial statements have been prepared on that basis.

Auditor

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for it to be deemed reappointed as auditor in accordance with the LLP agreement.

EVERCORE PARTNERS INTERNATIONAL LLP

MEMBERS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of members' responsibilities

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 & 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to 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 accounting 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.

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 the financial statements comply with the Companies Act 2006. The members are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

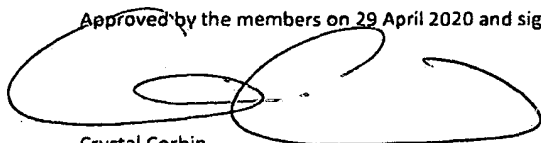
The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the Executive Committee on behalf of the members.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Approved by the members on 29 April 2020 and signed on their behalf by:



Crystal Corbin
Designated Member

EVERCORE PARTNERS INTERNATIONAL LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EVERCORE PARTNERS INTERNATIONAL LLP

Opinion

In our opinion the financial statements of Evercore Partners International LLP (the 'limited liability partnership'):

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of reconciliation of members' interests;
- the statement of cash flows; and
- the related notes 1 to 22.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the members' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The members are responsible for the other information. The other information comprises the information included in the members report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

EVERCORE PARTNERS INTERNATIONAL LLP

INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MEMBERS OF EVERCORE PARTNERS INTERNATIONAL LLP

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of members

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

In preparing the financial statements, the members are responsible for assessing the limited liability partnership'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 the members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 in respect of the following matters 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 limited liability partnership 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 respect of these matters.


EVERCORE PARTNERS INTERNATIONAL LLP

INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MEMBERS OF EVERCORE PARTNERS INTERNATIONAL LLP

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Brough ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: 29 April 2020

EVERCORE PARTNERS INTERNATIONAL LLP

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	restated £
Turnover	3	202,880,830	206,587,101
Administrative expenses		(97,983,608)	(105,105,454)
Other operating income		941,618	-
Operating profit	4	<u>105,838,840</u>	<u>101,481,647</u>
Interest receivable and similar income	5	1,015,871	529,739
Interest payable and similar expenses	6	(440,961)	(788)
Profit for the financial year before members' remuneration and profit shares		<u>106,413,750</u>	<u>102,010,598</u>
Profit for the financial year before members' remuneration and profit shares		106,413,750	102,010,598
Members' remuneration charged as an expense	11	(37,337,205)	(32,964,868)
Profit for the financial year available for discretionary division among members		<u>69,076,545</u>	<u>69,045,730</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. There are no recognised gains or losses in either year other than the profit for that year. Accordingly, no separate statement of comprehensive income is presented.

The notes on page 13 -27 form an integral part of the financial statements.

EVERCORE PARTNERS INTERNATIONAL LLP

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 £	2018 restated £
Non-current assets			
Tangible assets	7	5,239,086	6,176,914
Investments	8	24,500,462	1,957,603
Debtors falling due after more than one year	10	10,312,986	9,928,102
		<u>40,052,534</u>	<u>18,062,619</u>
Current assets			
Debtors	10	143,656,816	83,151,142
Investments	9	5,319,333	5,044,860
Cash at bank and in hand		51,337,577	76,360,608
		<u>200,313,726</u>	<u>164,556,610</u>
Creditors: amounts falling due within one year	13	<u>(32,816,289)</u>	<u>(30,449,031)</u>
Net current assets		<u>167,497,437</u>	<u>134,107,579</u>
Total assets less current liabilities		<u>207,549,971</u>	<u>152,170,198</u>
Creditors: amounts falling due after more than one year	14	(25,346,875)	-
Net assets attributable to members		<u>182,203,096</u>	<u>152,170,198</u>
Represented by:			
Members' capital classified as a liability		144,619,329	126,905,711
Members' other interests classified as equity		37,583,767	25,264,487
		<u>182,203,096</u>	<u>152,170,198</u>
Total members' interests			
Loans and other debts due to members		144,619,329	126,905,711
Members' other interests		37,583,767	25,264,487
		<u>182,203,096</u>	<u>152,170,198</u>

The notes on pages 13 - 27 form an integral part of the financial statements.

EVERCORE PARTNERS INTERNATIONAL LLP

STATEMENT OF FINANCIAL POSITION (continued)

AS AT 31 DECEMBER 2019

The financial statements were approved by the members and authorised for issue on 29 April 2020 and are signed on their behalf by:



Crystal Corbin

Designated member

Limited Liability Partnership Registration No. OC357957

EVERCORE PARTNERS INTERNATIONAL LLP

RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Current financial year	EQUITY		DEBT			TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors			MEMBERS' INTERESTS
	Other reserves	Total	Members' capital (classified as debt)	Other amounts	Total	Total 2019
	£	£	£	£	£	£
Members' interests at 1 January 2019	25,264,487	25,264,487	1,655,002	125,250,709	126,905,711	152,170,198
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	37,337,205	37,337,205	37,337,205
Result for the financial year available for discretionary division among members	69,076,545	69,076,545	-	-	-	69,076,545
Members' interests after profit for the year	94,341,032	94,341,032	1,655,002	162,587,914	164,242,916	258,583,948
Other divisions of profits	(58,346,434)	(58,346,434)	-	58,346,434	58,346,434	-
Capital introduced by members	-	-	5,000	-	5,000	5,000
Drawings	-	-	-	(77,975,021)	(77,975,021)	(77,975,021)
Other movements	1,589,169	1,589,169	-	-	-	1,589,169
Members' interests at 31 December 2019	37,583,767	37,583,767	1,660,002	142,959,327	144,619,329	182,203,096

EVERCORE PARTNERS INTERNATIONAL LLP

RECONCILIATION OF MEMBERS' INTERESTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

Prior financial year	EQUITY		DEBT			TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors			MEMBERS' INTERESTS
	Other reserves	Total	Members' capital (classified as debt)	Other amounts	Total	Total 2018
	£	£	£	£	£	£
Members' interests at 1 January 2018	16,550,872	16,550,872	1,650,002	92,294,507	93,944,509	110,495,381
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	32,964,868	32,964,868	32,964,868
Result for the financial year available for discretionary division among members	69,045,730	69,045,730	-	-	-	69,045,730
Members' interests after profit for the year	85,596,602	85,596,602	1,650,002	125,259,375	126,909,377	212,505,979
Other divisions of profits	(59,162,405)	(59,162,405)	-	59,162,405	59,162,405	-
Capital introduced by members	-	-	5,000	-	5,000	5,000
Drawings	-	-	-	(59,171,071)	(59,171,071)	(59,171,071)
Other movements	(1,169,710)	(1,169,710)	-	-	-	(1,169,710)
Members' interests at 31 December 2018	25,264,487	25,264,487	1,655,002	125,250,709	126,905,711	152,170,198

EVERCORE PARTNERS INTERNATIONAL LLP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	£	2019 £	£	2018 £
Cash flows from operating activities					
Cash generated from operations	18		50,990,618		103,200,495
Interest paid			(94,086)		(788)
Net cash inflow from operating activities			50,896,532		103,199,707
Investing activities					
Purchase of tangible fixed assets		(2,478,912)		(1,488,024)	
Purchase of investment in subsidiaries		(22,020,310)		(1,563,920)	
Purchase of investments		(274,473)		(3,957,685)	
Proceeds on investments		212,992		-	
Gain/ (loss) on investments		937,513		(493,522)	
Interest received		1,015,871		529,739	
Net cash used in investing activities			(22,607,319)		(6,973,412)
Financing activities					
Capital introduced by members (classified as debt or equity)		5,000		5,000	
Payments to members that represent a return on amounts subscribed or otherwise contributed		(76,385,852)		(60,340,781)	
Other Borrowings		25,000,000		-	
Net cash used in financing activities			(51,380,852)		(60,335,781)
Net (decrease)/increase in cash and cash equivalents			(23,091,639)		35,890,514
Cash and cash equivalents at beginning of year			76,360,608		40,002,963
Effect of foreign exchange rates			(1,931,392)		467,131
Cash and cash equivalents at end of year			51,337,577		76,360,608

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

General information

Evercore Partners International LLP ("LLP") is a limited liability partnership incorporated in England and Wales. The registered office and principal place of business is 15 Stanhope Gate, London, United Kingdom, W1K 1LN.

The limited liability partnership's principal activities, together with the factors likely to affect its future development, performance and positions are disclosed in the Members' Report.

1.1 Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" ("LLP SORP") issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain exemptions included within FRS 102 paragraph 1.12. These exemptions specifically relate to the disclosures within section 26 share-based payments and section 33 related party transactions.

The LLP has also taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the LLP as an individual entity and not about its group.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The LLP has net current assets of £167.5m (2018: £134.1m) and liquid assets of £56.6m (2018: £81.4m). The COVID-19 pandemic has led to uncertain economic and market conditions. The Executive Committee are actively monitoring COVID-19 developments and evaluating their impact to the LLP. The Executive Committee have considered the LLP's systems and controls and believe that the LLP's procedures are sufficient to manage its risks. The Executive Committee assessed the health of the balance sheet and believe that the LLP has adequate resources to continue in operational existence for the next 12 months from the date of signing of these financial statements.

Accordingly, the LLP have adopted the going concern basis in preparing the members' report and financial statements.

1.3 Turnover

Turnover represents the amounts receivable for success fees, retainer fees and reimbursed expenses net of VAT and discounts. Success fees and reimbursed expenses are recognised when the relevant event that determines success has occurred, as defined in the engagement letter. Retainer fees are accrued based on agreed terms and invoicing timetable with the client.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.4 Members' participating interests

Members' interests are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' interests in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 11 and 12 of FRS 102. A member's interest results in a liability unless the right to a payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classified as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classed as liabilities.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment. Amounts payable to members under employment contracts and unavoidable interest on members' capital are charged to 'members' remuneration charged as an expense" in the relevant year. In the event of a winding up the amounts included in "Loans and other debts due to members" rank equally with unsecured creditors.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost of assets less their residual value of each asset over their useful lives, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	5 years
Office equipment	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the limited liability partnership. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Current asset investments

Current asset investments are measured at fair value where they are publicly traded or their fair value can be otherwise measured reliably. Fair value is based on the quoted market price in an active market.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.9 Taxation

The taxation payable on the partnership profits is the individual liability of the members, although payment of such liabilities is administered by the partnership on behalf of the members. Consequently, neither partnership taxation nor related deferred taxation are accounted for in the financial statements. Sums set aside in respect of members' tax obligations are included in the balance within loans and other debts due to members or set against amounts due from members as appropriate.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits and post retirement payments

The LLP operates a defined contribution scheme for the benefit of its members and UK based group employees. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.13 Foreign exchange

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

1.14 Share based compensation

The LLP is part of a group equity-settled share-based payment scheme, with vested restricted stock units being settled by the ultimate parent company, Evercore Inc.. The maximum term of the restricted stock units is 4 years and the LLP is subject to the conditions of the group scheme.

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. Where share-based payment awards include graded vesting, each tranche is treated as a separate grant with each instalment expensed over the relevant vesting period. The expense is based on the estimate of shares that will eventually vest.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.15 Deferred cash based compensation

In some instances deferred compensation has been offered as cash linked to the performance of an underlying instrument, rather than equity settled. These arrangements are measured at fair value (excluding the effect on nonmarket based vesting conditions) at the date of the grant. The fair value is expensed on a straight lines basis over the vesting period. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

1.16 Members' remuneration

Remuneration paid to members under a schedule of terms, any other non-discretionary amounts payable to members and any automatic divisions of profit are recognised as an expense in the statement of comprehensive income as incurred, under the heading 'Members' remuneration charged as an expense'.

A division of profits that is discretionary on the part of the LLP is recognised as an appropriation of profit when the division occurs. Until such division is made the profits are held as equity interests of the members.

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.17 Judgements and Key sources of estimation uncertainty

In the application of the LLP's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The recoverability of debtors and revenue recognition are both key sources of uncertainty where judgment is applied to reduce the risk of causing a material adjustment to the carrying amount of assets within the next financial year.

2 Restatement of 2018 : Turnover and Administrative Expenses

A prior year adjustment has been processed in respect of revenue for 2018. The restatement was recognised net of revenue shared by other group companies instead of on a gross basis. The comparative figures in the primary statements and notes have been restated to reflect the adjustment. The impact of these restatements are detailed in the analysis below.

	2018 Previously reported	2018 Adjustment	2018 Restated
	£	£	£
Turnover	174,793,487	31,793,614	206,587,101
Administrative expenses	(73,311,840)	(31,793,614)	(105,105,454)

2.1 Restatement of 2018 : Debtors- Trade debtors

A prior year adjustment has been processed in respect of debtors for 2018. A restatement was recognised for trade debtors between non-current and current to reflect staggered payment plans for placement deals within the business. The comparative figures in the primary statements and notes have been restated to reflect the adjustment. The impact of these restatements is detailed in the analysis below.

	2018 Previously reported	2018 Adjustment	2018 Restated
	£	£	£
Current debtors	93,079,244	(9,928,102)	83,151,142
Non-current debtors	-	9,928,102	9,928,102

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

3 Turnover

As detailed in note 2 to the financial statements, prior year adjustments have been processed in respect of revenue for 2018.

	2019	2018
	£	Restated £
UK	108,143,692	82,571,598
Rest of Europe	28,437,230	38,410,501
Rest of the World	66,299,908	85,605,002
	<u>202,880,830</u>	<u>206,587,101</u>

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	1,931,392	(467,131)
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	159,240	144,560
Fees payable to the auditors for other services pursuant to legislation	7,800	7,561
Depreciation of owned tangible fixed assets	3,416,740	2,379,571
Operating lease rentals: Office equipment	276,452	427,294
Operating lease rentals : Land and buildings	3,796,482	3,823,458
	<u>10,884,106</u>	<u>7,352,414</u>

5 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	394,407	83,732
Interest receivable from group companies	279,520	81,035
Other interest income	341,944	364,972
	<u>1,015,871</u>	<u>529,739</u>

6 Interest payable and similar expenses

	2019	2018
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	440,961	788
	<u>440,961</u>	<u>788</u>

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

7 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Office Equipment	Total
	£	£	£	£
Cost				
At 1 January 2019	11,312,506	1,276,085	2,317,233	14,905,824
Additions	1,214,889	164,294	1,099,729	2,478,912
At 31 December 2019	12,527,395	1,440,379	3,416,962	17,384,736
Depreciation and impairment				
At 1 January 2019	6,821,431	626,239	1,281,240	8,728,910
Depreciation charged in the year	2,544,757	188,836	683,147	3,416,740
At 31 December 2019	9,366,188	815,075	1,964,387	12,145,650
Carrying amount				
At 31 December 2019	3,161,207	625,304	1,452,575	5,239,086
At 31 December 2018	4,491,075	649,846	1,035,993	6,176,914

8 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	16	23,977,913	1,957,603
Other investments		522,549	-
		24,500,462	1,957,603

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

8 Fixed asset investments

Movements in fixed asset investments

	Shares in group undertakings	Other investments	Total
	£	£	£
Cost or valuation			
At 1 January 2019	1,957,603	-	1,957,603
Additions	22,020,310	522,549	22,542,859
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2019	23,977,913	522,549	24,500,462
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2018	1,957,603	-	1,957,603
	<u> </u>	<u> </u>	<u> </u>

9 Current asset investments

	2019 £	2018 £
Current asset investments	5,319,333	5,044,860
	<u> </u>	<u> </u>
Movement in investments included above:		
As at 1 January	5,044,860	1,087,175
Cost of purchase	1,938,627	4,451,207
Disposal of shares	(2,601,667)	-
Gain/ (loss) on investment	937,513	(493,522)
	<u> </u>	<u> </u>
As at 31 December	5,319,333	5,044,860
	<u> </u>	<u> </u>

Current asset investments represent investment in investment funds with respect to Vanguard.

Current asset investments are measured at fair value where they are publicly traded or their fair value can be otherwise measured reliably.

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

10 Debtors

	2019	2018
		Restated
	£	£
Amounts falling due within one year:		
Trade debtors	54,541,552	38,231,172
Amounts owed by group undertakings	84,529,386	41,926,229
Other debtors	2,725,850	1,145,857
Prepayments and accrued income	1,860,028	1,847,884
	<u>143,656,816</u>	<u>83,151,142</u>
	2019	2018
		Restated
	£	£
Amounts falling due after more than one year:		
Trade debtors	<u>10,312,986</u>	<u>9,928,102</u>

As detailed in note 2.1 to the financial statements, a prior year adjustment has been processed in respect of trade debtors.

11 Members' remuneration

	2019	2018
	Number	Number
Average number of members during the year	<u>54</u>	<u>54</u>
	2019	2018
	£	£
Remuneration paid under an employment contract	<u>37,337,205</u>	<u>32,964,868</u>
	2019	2018
	£	£
Remuneration of the highest paid member	<u>7,875,381</u>	<u>9,964,865</u>

Remuneration disclosed above included the following amounts paid to the highest paid member. The remuneration of the highest paid member includes profit share in the LLP treated as 'members' remuneration charged as an expense'.

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

12 Retirement benefit schemes

Defined contribution schemes

The LLP operates a defined contribution pension scheme for all UK based qualifying employees of the European Group. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £4,076,428 (2018: £3,735,138).

13 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,411,349	319,786
Amounts due to group undertakings	2,012,992	2,049,223
Other taxation and social security	1,306,062	868,049
Other creditors	4,731,683	6,389,089
Accruals and deferred income	23,354,203	20,822,884
	<u>32,816,289</u>	<u>30,449,031</u>

14 Creditors: amounts falling due after more than one year

	2019	2018
Notes	£	£
Loan from group undertaking	25,346,875	-
	<u>25,346,875</u>	<u>-</u>

LLP entered into £25.0m of debt from Evercore LP (parent of Evercore Group Service Limited) on substantially the same terms with respect to payment, interest and maturity (interest rate 3.33% p.a with maturity on 1 August 2033) of the series H Senior Notes issued by Evercore Inc (the Parent) on 1 August 2019.

15 Employees

The average number of persons (excluding members) employed by the LLP during the year was:

	2019	2018
	Number	Number
Administrative staff	1	1
Professional staff	6	6
	<u>7</u>	<u>7</u>

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Employees

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	847,152	768,750
Social security costs	1,866,313	2,656,127
Pension costs	4,076,428	3,735,138
Stock based compensation	3,951,265	1,181,232
	<u>10,741,158</u>	<u>8,341,247</u>

The aggregate remuneration includes staff cost for Evercore Group Services Limited, a group service company. Evercore Partners Limited, the immediate parent of Evercore Group Services Ltd is a member of the LLP.

16 Subsidiaries

These financial statements are separate limited liability partnership financial statements for Evercore Partners International LLP.

The LLP has taken advantage of the exemption available in Section 405 of the Companies Act 2006 whereby it has not included the results of its subsidiary as its inclusion would not be material to the financial statements.

Details of the limited liability partnership's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Evercore GmbH	Germany - Ulmenstr. 37-39, 60325 Frankfurt am Main.	Investment banking advisory	Ordinary	100
Evercore Advisory (Middle East) Limited	Dubai- Unit 1606, Level 16, Index Tower, Dubai International Financial Centre, Dubai, 507205	Investment banking advisory	Ordinary	100

EVERCORE PARTNERS INTERNATIONAL LLP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

17 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	4,147,008	4,620,363
Between two and five years	3,748,781	7,640,884
In over five years	-	281,719
	<u>7,895,789</u>	<u>12,542,966</u>

18 Cash generated from operations

	2019	2018
	£	£
Profit for the year	106,413,750	102,010,598
Adjustments for:		
Finance costs recognised in profit or loss	440,961	788
Interest income recognised in profit or loss	(1,015,871)	(529,739)
Depreciation and impairment of tangible fixed assets	3,416,740	2,379,571
Foreign exchange loss/ (gain) on cash equivalents	1,931,392	(467,131)
(Gain)/ loss on investments	(937,513)	493,522
Other income	(735,541)	-
Movements in working capital:		
(Increase) in debtors	(60,890,558)	(7,650,921)
Increase in creditors	2,367,258	6,963,807
Cash generated from operations	<u>50,990,618</u>	<u>103,200,495</u>

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Analysis of changes in net debt

	1 January 2019	Cash flows	Acquisitions and disposals of subsidiaries	Other non- cash changes	Exchange rate movements	31 December 2019
	£	£	£	£	£	£
Cash at bank and in hand	76,360,608	(1,071,330)	(22,020,310)	-	(1,931,392)	51,337,577
Borrowings from group undertakings	-	(25,000,000)	-	(346,875)	-	(25,346,875)
Net debt before loan and other debts due to members	76,360,608	(26,071,330)	(22,020,310)	(346,875)	(1,931,392)	25,990,702
Members capital classified as debt	(1,655,002)	(5,000)	-	-	-	(1,660,002)
Other amounts due to members	(125,250,709)	40,637,816	-	(58,346,434)	-	(142,959,327)
Total net debt	(50,545,103)	14,594,362	(22,020,310)	(58,693,309)	(1,931,392)	(118,628,627)

20 Related party transactions

Key management personnel of the LLP

The members of the Executive Committee are considered to be key management personnel. All members of the Executive Committee are members of the LLP.

Entities under common control and subsidiaries

As at 31 December 2019, following receivable balances were reported between the LLP, entities under common control and subsidiaries. The transactions between the entities were on an unsecured basis.

- Evercore Partners Limited, the immediate parent of Evercore Group Services Limited is a member of the LLP : £9.2m (2018: £8.3m)
- Evercore Holdings Limited, a holding company and a member of the LLP : £14.3m (2018: £14.3m)
- Evercore Group Services Limited, payroll service provider to LLP : £3.9m (2018: £4.1m)
- Evercore GmbH : £15.7m (2018: £8.1m) and Evercore Advisory (Middle East) Limited : £2.0m (2018: -£0.2m); are subsidiaries of the LLP

Entities with control

- Evercore US entities, entities under the ultimate parent company: a receivable balance of £13.5m (2018: £4.6m).

EVERCORE PARTNERS INTERNATIONAL LLP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

21 Controlling party

The immediate parent company is Evercore Partners Limited which was incorporated in the UK. The ultimate parent company, controlling party and smallest and largest group that consolidate the LLP is Evercore Inc., a US company registered on the New York Stock Exchange. The registered office is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. Evercore Inc. prepares group financial statements and copies can be obtained from 55 East 52nd Street, New York, NY 10055, USA.

22 Events after the reporting date

The COVID-19 pandemic has led to uncertain economic and market conditions. The Executive Committee are actively monitoring COVID-19 developments and evaluating their impact to the LLP. The Executive Committee have considered the LLP's systems and controls and believe that the LLP's procedures are sufficient to manage its risks. The Executive Committee assessed the health of balance sheet and believe that the LLP has sufficient financial resources for the foreseeable future.