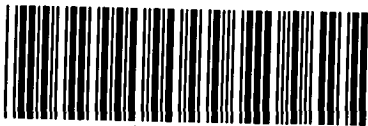


Limited Liability Partnership Registration No. OC357957 (England and Wales)

**Evercore Partners International LLP**

**Annual report and financial statements  
for the year ended 31 December 2018**

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COMPANIES HOUSE

**Evercore Partners International LLP**

**Limited liability partnership information**

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**Designated members** Evercore Partners Limited  
Evercore Holdings Limited  
Evercore Private Capital Advisory LP  
Evercore Partners Investment Limited  
Davinder Bahia  
Julian Oakley

**Limited liability partnership number** OC357957

**Registered office** 15 Stanhope Gate  
London  
United Kingdom  
W1K 1LN

**Independent 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

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**Evercore Partners International LLP**

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## **Evercore Partners International LLP**

### **Members' report For the year ended 31 December 2018**

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The members present their annual report on the affairs of Evercore Partners International LLP together with the audited financial statements and auditor's report for the year ended 31 December 2018.

#### **Group Structure**

Evercore Partners International LLP (the 'LLP') is incorporated as a Limited Liability Partnership under the Limited Liability Partnerships Act 2000. It operates out of its principal office in London, and further offices in Aberdeen (7 Queens Gardens, Aberdeen, AB15 4YD) and Madrid (Paseo de la Castellana 36-38, 28046 Madrid).

The LLP is authorised and regulated by the Financial Conduct Authority as an exempt CAD (Capital Adequacy Directive) firm.

These financial statements reflect the results for the year ended 31 December 2018. All comparatives are for the year ended 31 December 2017.

#### **Principal activities and review of the business**

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 2018 showed a 26% growth in turnover to £175m (2017: £139m). This performance reflects a successful consolidation of the new teams hired through 2017 and 2018, and a continuing strong performance from the established teams. Two new Senior Managing Directors were hired during 2018.

Administrative expenses increased to £73m (2017: £59m) an increase of 24%. This result included an intra-group charge in relation to charges for services of £1.1m (2017: £2.1m).

The level of pipeline and deal flow leading into 2019 is sufficient to support the development of the business. The results and the financial position at the year-end were considered satisfactory by the Members.

#### **Future developments**

Members remain focused on business development, key client relationships, recruitment and optimisation of new business opportunities. The LLP plans to improve on recent turnover growth 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.

## **Evercore Partners International LLP**

**Members' report (continued)**  
**For the year ended 31 December 2018**

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### **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 client 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.

### **Going Concern**

As at 31 December 2018, the LLP had net current assets of £144m (2017: £103m) and a cash balance of £76m (2017: £40m). The LLP is expected to generate positive cash flows on its own account for the next 12 months from signing of these financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

### **Results**

The statement of comprehensive income for the year ended 31 December 2018 is set out on page 8.

## Evercore Partners International LLP

### Members' report (continued) For the year ended 31 December 2018

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#### Members and 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  
Bruce Weir

(Retired 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 its duties in such manner as it considers being in the best interests of the LLP.

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

#### Members' drawings and subscription and repayment of capital

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.

#### 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.

**Evercore Partners International LLP**

**Members' report (continued)  
For the year ended 31 December 2018**

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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 firm will continue in business.

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, as applicable to limited liability partnerships. 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.

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.

**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.

Approved by the members and signed on their behalf on 25 April 2019



Matthew Lindsey-Clark  
Member

**Evercore Partners International LLP**

**Independent auditor's report  
To the members of Evercore Partners International LLP**

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**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including 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 of Evercore Partners International LLP (the 'limited liability partnership') which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in 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 of 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 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.



## **Evercore Partners International LLP**

### **Independent auditor's report (continued) To the members of Evercore Partners International LLP**

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#### **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.

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 statement of members' responsibilities, 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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Evercore Partners International LLP**

**Independent auditor's report (continued)**  
**To the members of Evercore Partners International LLP**

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**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 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.

**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 *25 April 2019.*

Evercore Partners International LLP

Statement of comprehensive income  
For the year ended 31 December 2018

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		2018	2017
	Notes	£	£
Turnover	3	174,793,487	138,956,570
Administrative expenses		(73,311,840)	(59,027,899)
<b>Operating profit</b>	<b>4</b>	<b>101,481,647</b>	<b>79,928,671</b>
Interest receivable and similar income	5	529,739	471,902
Interest payable and similar expenses	6	(788)	(40)
<b>Profit for the financial year before members' remuneration and profit shares</b>		<b>102,010,598</b>	<b>80,400,533</b>
Members' remuneration charged as an expense	11	(32,964,868)	(32,019,777)
<b>Profit for the financial year available for discretionary division among members</b>		<b>69,045,730</b>	<b>48,380,756</b>

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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 pages 14 - 28 form an integral part of the financial statements.

Evercore Partners International LLP

Statement of financial position  
As at 31 December 2018

	Notes	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	7		6,176,914		7,068,463
Investments	8		1,957,603		393,683
			<u>8,134,517</u>		<u>7,462,146</u>
<b>Current assets</b>					
Debtors: amount falling due within one year	10	93,079,244		85,428,321	
Investments	9	5,044,860		1,087,175	
Cash and cash equivalents		76,360,608		40,002,963	
			<u>174,484,712</u>	<u>126,518,459</u>	
Creditors: amounts falling due within one year	13	(30,449,031)		(23,485,224)	
<b>Net current assets</b>			<u>144,035,681</u>		<u>103,033,235</u>
<b>Total assets less current liabilities</b>			<u>152,170,198</u>		<u>110,495,381</u>
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Members' capital classified as a liability			126,905,711		93,944,509
			<u>126,905,711</u>		<u>93,944,509</u>
<b>Members' other interests</b>					
Other reserves classified as equity			25,264,487		16,550,872
			<u>152,170,198</u>		<u>110,495,381</u>
<b>Total members' interests</b>			<u>126,905,711</u>		<u>93,944,509</u>
Loans and other debts due to members			25,264,487		16,550,872
Members' other interests			<u>152,170,198</u>		<u>110,495,381</u>

The notes on pages 14 - 28 form an integral part of the financial statements.

**Evercore Partners International LLP**

**Statement of financial position (continued)**  
**As at 31 December 2018**

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The financial statements were approved by the members and authorised for issue on 25 April 2019 and are signed on their behalf by:



Matthew Lindsey-Clark

**Member**

**Limited Liability Partnership Registration No. OC357957**

Evercore Partners International LLP

Statement of changes in members' interests  
For the year ended 31 December 2018

Current financial year

	Members' other interests		Loans and other debts due to members			Total
	Other reserves	Total	Members' capital (classified as liability)	Other amounts	Total	Members' interests 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	-	-	-	32,964,868	32,964,868	32,964,868
Profit for the financial year available for discretionary division among members	69,045,730	69,045,730	-	-	-	69,045,730
Members' interests after profit	85,596,602	85,596,602	1,650,002	125,259,375	126,909,377	212,505,979
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)
FRS 102 Section 26 adjustment recorded in statement of comprehensive income	(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 changes in members' interests (continued)  
For the year ended 31 December 2018

Prior financial year

	Members' other interests		Loans and other debts due to members			Total Members' interests 2017
	Other reserves	Total	Members' capital (classified as liability)	Other amounts	Total	
	£	£	£	£	£	
Members' interests at 1 January 2017	11,446,597	11,446,597	1,640,002	72,017,428	73,657,430	85,104,027
Members' remuneration charged as an expense	-	-	-	32,019,777	32,019,777	32,019,777
Profit for the financial year available for discretionary division among members	48,380,756	48,380,756	-	-	-	48,380,756
Members' interests after profit for the year	59,827,353	59,827,353	1,640,002	104,037,205	105,677,207	165,504,560
Divisions of profits	(42,179,750)	(42,179,750)	-	42,179,750	42,179,750	-
Capital introduced by members	-	-	10,000	-	10,000	10,000
Drawings	-	-	-	(53,922,448)	(53,922,448)	(53,922,448)
FRS 102 Section 26 adjustment recorded in statement of comprehensive income	(1,096,731)	(1,096,731)	-	-	-	(1,096,731)
Members' interests at 31 December 2017	16,550,872	16,550,872	1,650,002	92,294,507	93,944,509	110,495,381

The notes on pages 14 - 28 form an integral part of the financial statements.

Evercore Partners International LLP

Statement of cash flows  
For the year ended 31 December 2018

	Notes	2018		2017	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	18	103,200,495		50,298,842	
Interest paid			(788)		(40)
<b>Net cash inflow from operating activities</b>		<b>103,199,707</b>		<b>50,298,802</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,488,024)		(3,333,645)	
Purchase of investment in subsidiary		(1,563,920)		(373,538)	
Repayment of investment loans and receivables		(3,957,685)		242,384	
Proceeds on disposal of other investments		(493,522)		105,884	
Interest received		529,739		471,902	
<b>Net cash used in investing activities</b>		<b>(6,973,412)</b>		<b>(2,887,013)</b>	
<b>Financing activities</b>					
Capital introduced by members (classified as debt or equity)		5,000		10,000	
Payments to members that represent a return on amounts subscribed or otherwise contributed		(60,340,781)		(55,019,179)	
<b>Net cash used in financing activities</b>		<b>(60,335,781)</b>		<b>(55,009,179)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>35,890,514</b>		<b>(7,597,390)</b>	
Cash and cash equivalents at beginning of year		40,002,963		47,625,752	
Effect of foreign exchange rates		467,131		(25,399)	
<b>Cash and cash equivalents at end of year</b>		<b>76,360,608</b>		<b>40,002,963</b>	



## Evercore Partners International LLP

### Notes to the financial statements For the year ended 31 December 2018

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#### 1 General information

Evercore Partners International LLP is a limited liability partnership incorporated in the United Kingdom. The address of its registered office and principal place of business is 15 Stanhope Gate, London, United Kingdom, W1K 1LN.

The LLP's business activities, together with the factors likely to affect its future development, performance and position are set out in the review of business on page 1.

#### 2 Accounting policies

##### 2.1 Basis of preparation

The financial statements are prepared under the historical cost convention, and are in compliance with FRS 102, Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006 as modified by the Limited Liability Partnership (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and the requirements of the Statement or Recommended Practice 'Accounting by Limited Liability Partnerships' ("LLP SORP") issued in July 2014.

The functional currency of the LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the LLP operates.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 2.2 Judgements in applying accounting policies and key sources of uncertainty

In applying the partnerships policies, the members are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The members' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable.

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.*

##### 2.3 Going concern

The LLP has liquid assets of £81m (2017: £41m) and net current assets of £144m (2017: £103m). The members expect the LLP to continue to be profitable in the future and as a consequence they believe that the LLP is well placed to manage its business risks successfully.

The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the next 12 months from the date of signing these financial statements.

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

Notes to the financial statements  
For the year ended 31 December 2018

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**2 Accounting policies (continued)**

**2.4 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.

**2.5 Tangible fixed assets and depreciation**

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
Office equipment	3 years
Fixtures, fittings & equipment	5 years

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.

**2.6 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.

**2.7 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.

**2.8 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.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2 Accounting policies (continued)**

***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.

***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.

**Evercore Partners International LLP**

**Notes to the financial statements (continued)  
For the year ended 31 December 2018**

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**2 Accounting policies (continued)**

***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.

**2.9 Pensions**

The LLP operates a defined contribution scheme for the benefit of its members and UK based group employees. Contributions payable are charged to the profit and loss account in the year they are payable.

**2.10 Foreign currency translation**

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.

**2.11 Share based compensation**

Equity-settled arrangements are measured at fair value (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

**2.12 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.

**2.13 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 2018

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## 2 Accounting policies (continued)

### 2.14 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.

### 2.15 Members' 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.

## 3 Turnover

### Turnover analysed by geographical market

	2018	2017
	£	£
UK	65,498,472	77,071,911
Rest of Europe	38,531,652	37,490,687
Rest of the World	70,763,363	24,393,972
	<u>174,793,487</u>	<u>138,956,570</u>

**Evercore Partners International LLP**

**Notes to the financial statements (continued)  
For the year ended 31 December 2018**

**4 Operating profit**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(467,131)	429,551
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	144,560	139,000
Fees payable to the auditor for other services pursuant to legislation	7,561	7,270
Depreciation of tangible fixed assets	2,379,571	1,785,587
Amortisation of intangible assets	-	22,084
Operating lease rentals:		
Office equipment	427,294	417,533
Land and buildings	3,823,458	3,419,144

**5 Interest receivable and similar income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Bank interest	83,732	9,202
Interest receivable from group companies	81,035	145,241
Other interest	364,972	317,459
<b>Total income</b>	<b>529,739</b>	<b>471,902</b>

**6 Interest payable and similar expenses**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	8
Other interest	788	32
	<b>788</b>	<b>40</b>

Evercore Partners International LLP

Notes to the financial statements (continued)  
For the year ended 31 December 2018

7 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Office equipment £	Total £
<b>Cost</b>				
At 1 January 2018	10,886,612	955,631	1,575,557	13,417,800
Additions	425,894	320,454	741,676	1,488,024
At 31 December 2018	11,312,506	1,276,085	2,317,233	14,905,824
<b>Depreciation and impairment</b>				
At 1 January 2018	5,022,519	515,265	811,555	6,349,339
Depreciation charged in the year	1,798,912	110,974	469,685	2,379,571
At 31 December 2018	6,821,431	626,239	1,281,240	8,728,910
<b>Carrying amount</b>				
At 31 December 2018	4,491,075	649,846	1,035,993	6,176,914
At 31 December 2017	5,864,094	440,377	763,992	7,068,463

8 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	16	1,957,603	393,683

Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2018	393,683
Additions	1,563,920
At 31 December 2018	1,957,603
<b>Carrying amount</b>	
At 31 December 2018	1,957,603
At 31 December 2017	393,683

**Evercore Partners International LLP**

**Notes to the financial statements (continued)  
For the year ended 31 December 2018**

**9 Current asset investments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Listed investments at 01 January 2018	1,087,175	1,329,559
Cost of purchase	4,451,207	-
Disposal of shares	-	(348,268)
Unrealised (loss)/ gain on fair value movement	(493,522)	105,884
	<u>5,044,860</u>	<u>1,087,175</u>

**10 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	48,159,274	35,765,583
Amounts owed by undertakings in which the LLP has a participating interest	41,926,229	47,817,554
Other debtors	1,145,857	648,106
Prepayments and accrued income	1,847,884	1,197,078
	<u>93,079,244</u>	<u>85,428,321</u>

**11 Members' remuneration**

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Average number of members during the year	<u>54</u>	<u>52</u>
Remuneration paid under an employment contract	<u>32,964,868</u>	<u>32,019,777</u>
Remuneration disclosed above include the following amounts paid to the highest paid member:		
	<b>2018</b>	<b>2017</b>
Remuneration of the highest paid member	<u>9,964,865</u>	<u>6,355,470</u>

The remuneration of the highest paid member includes profit shares 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 2018**

**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 £4,192,931 (2017: £3,543,869).

The charge to creditors in respect of defined contribution schemes was £nil (2017: £41,971).

**13 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	319,786	229,710
Amounts owed to group undertakings	2,049,223	-
Amounts owed to undertakings in which the LLP has a participating interest	-	1,716,980
Other taxation and social security	868,049	2,006,430
Other creditors	6,389,089	2,316,877
Accruals and deferred income	20,822,884	17,215,227
	<u>30,449,031</u>	<u>23,485,224</u>

**14 Employees**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
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 2018**

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**14 Employees (continued)**

Their aggregate remuneration comprised:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	768,750	734,487
Social security costs	2,656,127	2,098,263
Pension costs	3,735,138	3,543,869
Stock based compensation	1,181,232	990,685
	<u>8,341,247</u>	<u>7,367,304</u>

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

## Evercore Partners International LLP

### Notes to the financial statements (continued) For the year ended 31 December 2018

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#### 15 Restricted stock units

During the year Evercore Partners International LLP participated in an equity incentive plan of Evercore Inc., the ultimate holding company, to motivate employees and members and allow them to participate in the ownership of its stock through the award of Restricted Stock Units ("RSUs"), which represent the right to a future payment equal to one share of Evercore Inc. stock. RSUs typically vest over a period of four years beginning on the first anniversary of the award date, and to the extent RSUs are outstanding at the time a dividend is paid on common stock, a dividend equivalent is paid to the holders of the RSUs.

RSUs are issued to employees and members as part of an annual bonus award and as compensation for new hires. Evercore Partners International LLP accounts for these awards by recording a charge to compensation expenses.

The RSUs are valued in the LLP financial statements using the weighted average share price on the day the equity award is entered into.

The number of units awarded in the year was 188,437 (2017: 294,757) with a weighted average fair value of £68.09 (2017: £60.92) at the date of grant. The fair value is based on the market price of Evercore Inc.'s shares.

Evercore Partners International LLP recognised total expenses in respect of RSUs of £12,479,522 (2017: £11,975,039) in the period.

Evercore Partners International LLP owes £17,309,379 (2017: £11,816,285) to Evercore LP in relation to stock amortisation recharges.

Further details of the RSUs are as follows;

	Number of RSUs 2018	Number of RSUs 2017
At 1 January	789,310	818,096
Granted	188,437	294,757
Forfeited	-	(3,675)
Exercised	(292,467)	(319,868)
	<u>685,280</u>	<u>789,310</u>
Outstanding at 31 December	<u>685,280</u>	<u>789,310</u>

The weighted average contractual life of the RSUs is 4 years (2017: 1 year)

## Evercore Partners International LLP

### Notes to the financial statements (continued) For the year ended 31 December 2018

#### 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 2018 are as follows:

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

#### 17 Financial 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:

	Land and buildings		Other	
	2018	2017	2018	2017
	£	£	£	£
Within one year	4,146,473	4,184,652	203,890	203,890
between two and five years	7,442,142	11,347,142	198,742	402,632
in over five years	281,719	523,192	-	-
	<u>11,870,334</u>	<u>16,054,986</u>	<u>402,632</u>	<u>606,522</u>

Evercore Partners International LLP

Notes to the financial statements (continued)  
For the year ended 31 December 2018

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<b>18 Cash generated from operations</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit for the year	102,010,598	80,400,533
Adjustments for:		
Finance costs recognised in profit or loss	788	40
Investment income recognised in profit or loss	(529,739)	(471,902)
Amortisation and impairment of intangible assets	-	22,084
Depreciation and impairment of tangible fixed assets	2,379,571	1,785,587
Foreign exchange gains on cash equivalents	(467,131)	25,399
Amounts written off investments	493,522	(105,884)
Movements in working capital:		
(Increase) in debtors	(7,650,921)	(22,441,552)
Increase/(decrease) in creditors	6,963,807	(8,915,463)
<b>Cash generated from operations</b>	<b>103,200,495</b>	<b>50,298,842</b>

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## Evercore Partners International LLP

### Notes to the financial statements (continued) For the year ended 31 December 2018

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#### 19 Related party transactions

##### Entities over which the LLP has control or significant influence

The LLP's subsidiaries are listed in note 16. The subsidiaries are wholly owned and therefore in accordance with paragraph 33.1A of FRS 102 these financial statements do not disclose all transactions between the subsidiaries and the LLP.

During the year Evercore GmbH made a loan repayment to the LLP of £1,194,500 (2017: loan made to Evercore GmbH of £465,946) to effect the purchase of Kuna & Co. KG and to meet working capital requirements.

##### 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. The total remuneration of key management personnel during the period was £32,479,819 (2017: £18,687,299)

##### Other related parties - entities under common control

During the year, Evercore Partners Limited charged the LLP £1,115,580 (2017: £2,127,599) in management charges relating to services provided to the LLP.

The following transactions also occurred during the current year:

- Corporate tax payments of £3,690,869 were made on the Evercore Partners Limited's behalf (2017: £3,221,419)
- VAT refunds were received by the Evercore Partners Limited on behalf of Evercore Partners International LLP amounting to £1,526,841 (2017: £580,472)

At 31 December 2018, £8,315,409 (2017: £18,004,381) was still outstanding.

Evercore Partners Limited, the immediate parent of Evercore Group Services is a member of the LLP.

At December 2018 £5.7m (2017: £5.7m) was outstanding between the LLP and Evercore Holdings Limited. £5.7m was paid by the LLP on Evercore Holdings Limited's behalf between 2011-2013 to the sellers of The Lexicon Partnership in settlement of deferred purchase consideration payable.

Evercore Holdings Limited is a member of the LLP.

During the year, Evercore Group Services Limited charged the LLP £22,351,204 (2017: £17,664,288) in management charges relating to services provided to the LLP. At 31 December 2018, £812,157 (2017: £3,551,866) was still outstanding. Evercore Partners Limited, the immediate parent of Evercore Group Services Limited, is a member of the LLP.

#### 20 Post balance sheet events

There are no reportable subsequent events through the date of our issuance of these financial statements.

**Evercore Partners International LLP**

**Notes to the financial statements (continued)  
For the year ended 31 December 2018**

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**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 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 non-market 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.