

REGISTERED NUMBER: OC389577 (England and Wales)

REPORT OF THE MEMBERS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
REAL ASSET PARTNERS LONDON LLP

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REAL ASSET PARTNERS LONDON LLP

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REAL ASSET PARTNERS LONDON LLP
GENERAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

DESIGNATED MEMBERS: Gaia Capital S.a.r.l.
Real Asset Partners Limited

REGISTERED OFFICE: Cavendish House
18 Cavendish Square
London
W1G 0PJ

REGISTERED NUMBER: OC389577 (England and Wales)

AUDITORS: ACT Audit Limited
Chartered Certified Accountants
& Statutory Auditor
Royalty House, 32 Sackville Street,
Mayfair
London
W1S 3EA

REAL ASSET PARTNERS LONDON LLP
REPORT OF THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2017

The members present their report with the financial statements of the LLP for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of provision of intermediary services to private equity funds, real estate funds and pension funds in Europe. The firm is authorised and regulated in the UK by the Financial Conduct Authority.

No significant change in the activities of the LLP is foreseen.

REVIEW OF BUSINESS

The members consider the results for the year and the financial position at the year-end to be satisfactory.

FUTURE DEVELOPMENTS

The members are confident that the LLP is moving in the right direction and they are planning to close some deals in the next 6 to 8 weeks of 2018. Success fee will also be realised in 2018 for deals entered in 2017 and closing in 2018. The members are actively involved in developing the business and expect turnover to increase significantly to £2.5m in 2018 with overheads estimated at £1.5m which is inline with the increase in turnover.

DESIGNATED MEMBERS

The designated members during the year under review were:

Gaia Capital S.a.r.l.
Real Asset Partners Limited

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The loss for the year before members' remuneration and profit shares was £1,016,522 (2016 - £32,653 profit).

REAL ASSET PARTNERS LONDON LLP

REPORT OF THE MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2017

MEMBERS' INTERESTS

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members.

	Amounts due to / (from) members at beginning of year £	(Loss) / Profit Allocation £	Capital Introduced £	Transfer to other reserves £	Amounts due to / (from) members at end of year £
Gaia Capital S.a.r.l.	635,166	(1,015,506)	555,769	-	175,429
Real Asset Partners Limited	(504)	(1,016)	-	-	-1,520
	<u>634,662</u>	<u>1,016,522</u>	<u>555,769</u>	<u>-</u>	<u>173,909</u>

In light of the overdrawn position for the member current account as at the year-end, the members of the LLP mutually agreed to inject further capital contribution within the LLP or alternatively, repay the overdrawn amounts to the LLP in the near future depending on the Capital Adequacy position of the LLP to be reported with the FCA.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships requires 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under legislation applicable to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

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 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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.

REAL ASSET PARTNERS LONDON LLP

**REPORT OF THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2017**

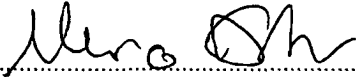
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

AUDITORS

The auditors, ACT Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE MEMBERS:



.....
Real Asset Partners Limited - Designated member

Date: 24/01/2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF REAL ASSET PARTNERS LONDON LLP

Opinion

We have audited the financial statements of Real Asset Partners London LLP (the 'LLP') for the year ended 31 December 2017 on pages seven to twenty one. 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).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the 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 LLP'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.

Other information

The members are responsible for the other information. The other information comprises the information in the Report of the Members, but does not include the financial statements and our Report of the Auditors 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, 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 this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF REAL ASSET PARTNERS LONDON LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to LLPs requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities set out on page three, 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 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 LLP'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 LLP or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Auditors 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. This description forms part of our Report of the Auditors.

Other matter

The corresponding figures disclosed in the financial statements for the year ended 31 December 2016 were not audited.

ACT AUDIT LIMITED

Pierpaolo Spadoni (Senior Statutory Auditor)
for and on behalf of ACT Audit Limited
Chartered Certified Accountants
& Statutory Auditor
Royalty House, 32 Sackville Street,
Mayfair
London
W1S 3EA

Date: 29/04/2018

REAL ASSET PARTNERS LONDON LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	Unaudited 2016 £
REVENUE	5	623,567	916,126
Cost of sales		<u>781,962</u>	<u>487,490</u>
GROSS (LOSS)/PROFIT		(158,395)	428,636
Administrative expenses		<u>784,247</u>	<u>347,996</u>
OPERATING (LOSS)/PROFIT	7	(942,642)	80,640
Interest payable and similar expenses	9	<u>73,880</u>	<u>47,987</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>(1,016,522)</u>	<u>32,653</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		(1,016,522)	32,653
Members' remuneration charged as an expense	10	<u>1,016,522</u>	<u>(32,653)</u>
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		-	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>-</u>

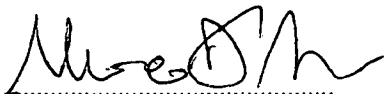
The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP (REGISTERED NUMBER: OC389577)

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017**

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Property, plant and equipment	11		6,120		10,973
CURRENT ASSETS					
Debtors: amounts falling due within one year	12	1,853,046		1,162,458	
Cash at bank		27,257		172,458	
		<u>1,880,303</u>		<u>1,334,916</u>	
CREDITORS					
Amounts falling due within one year	13	191,425		206,660	
NET CURRENT ASSETS			<u>1,688,878</u>		<u>1,128,256</u>
TOTAL ASSETS LESS CURRENT LIABILITIES and NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>1,694,998</u>		<u>1,139,229</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS	16		1,620,719		1,064,950
MEMBERS' OTHER INTERESTS					
Capital accounts			74,279		74,279
			<u>1,694,998</u>		<u>1,139,229</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	16		1,620,719		1,064,950
Members' other interests			74,279		74,279
Amounts due from members	12		(1,521,089)		(504,567)
			<u>173,909</u>		<u>634,662</u>

The financial statements were approved by the members of the LLP on 24/04/2018 and were signed by:


.....
Real Asset Partners Limited - Designated member

The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 1 January 2017	74,279	-	74,279
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-
Profit for the financial year available for discretionary division among members	-	-	-
Members' interests after profit for the year	<u>74,279</u>	-	<u>74,279</u>
Introduced by members	-	-	-
Balance at 31 December 2017	<u><u>74,279</u></u>	<u><u>-</u></u>	<u><u>74,279</u></u>

	DEBT	TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors Other amounts £	Total £
Amount due to members	1,064,950	
Amount due from members	<u>(504,567)</u>	
Balance at 1 January 2017	560,383	634,662
Members' remuneration charged as an expense, including employment and retirement benefit costs	(1,016,522)	(1,016,522)
Profit for the financial year available for discretionary division among members	-	-
Members' interests after profit for the year	<u>(456,139)</u>	<u>(381,860)</u>
Introduced by members	<u>555,769</u>	<u>555,769</u>
Amount due to members	1,620,719	
Amount due from members	<u>(1,521,089)</u>	
Balance at 31 December 2017	<u><u>99,630</u></u>	<u><u>173,909</u></u>

The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 1 January 2016	74,279	-	74,279
Profit for the financial year available for discretionary division among members	-	32,653	32,653
Members' interests after profit for the year	74,279	32,653	106,932
Other divisions of profit introduced by members	-	(32,653)	(32,653)
	-	-	-
Balance at 31 December 2016	<u>74,279</u>	<u>-</u>	<u>74,279</u>

	DEBT	TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors Other amounts £	Total £
Amount due to members	600,792	
Amount due from members	<u>(539,920)</u>	
Balance at 1 January 2016	60,872	135,151
Profit for the financial year available for discretionary division among members	-	32,653
Members' interests after profit for the year	60,872	167,804
Other divisions of profit introduced by members	32,653	-
	<u>466,858</u>	<u>466,858</u>
Amount due to members	1,064,950	
Amount due from members	<u>(504,567)</u>	
Balance at 31 December 2016	<u>560,383</u>	<u>634,662</u>

The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	Unaudited 2016 £
Cash flows from operating activities			
Cash generated from operations	1	(627,090)	(304,072)
Interest paid		<u>(73,880)</u>	<u>(47,987)</u>
Net cash from operating activities		<u>(700,970)</u>	<u>(352,059)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>-</u>	<u>(9,016)</u>
Net cash from investing activities		<u>-</u>	<u>(9,016)</u>
Cash flows from financing activities			
Transactions with members and former members			
Contributions by members		<u>555,769</u>	<u>466,858</u>
Net cash from financing activities		<u>555,769</u>	<u>466,858</u>
(Decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	<u>172,458</u>	<u>66,675</u>
Cash and cash equivalents at end of year	2	<u>27,257</u>	<u>172,458</u>

The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS TO CASH GENERATED FROM OPERATIONS

	2017 £	2016 £
Profit for the financial year available for discretionary division among members	-	-
Members' remuneration charged as an expense	(1,016,522)	32,653
Depreciation charges	4,851	4,518
Finance costs	<u>73,880</u>	<u>47,987</u>
	(937,791)	85,158
Decrease/(increase) in trade and other debtors	325,936	(559,319)
(Decrease)/increase in trade and other creditors	<u>(15,235)</u>	<u>170,089</u>
Cash generated from operations	<u>(627,090)</u>	<u>(304,072)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2017

	31.12.17 £	1.1.17 £
Cash and cash equivalents	<u>27,257</u>	<u>172,458</u>

Year ended 31 December 2016

	31.12.16 £	1.1.16 £
Cash and cash equivalents	<u>172,458</u>	<u>66,675</u>

The notes form part of these financial statements

REAL ASSET PARTNERS LONDON LLP

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

1. STATUTORY INFORMATION

Real Asset Partners London LLP is registered in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in January 2017 (SORP 2017) and the Companies Act 2006 (as applied to LLPs).

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

The turnover shown in the profit and loss account represents intermediary services related to private equity funds, real estate funds and pension funds provided during the year, exclusive of Value Added Tax. They are recognised only when they have been crystallised.

Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to leasehold property	-	Over term of lease
Fixtures & fittings	-	25% straight line
Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable Amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

REAL ASSET PARTNERS LONDON LLP

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

3. ACCOUNTING POLICIES - continued

Members' participation rights

Members' participation rights 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' participation rights 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 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed 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 classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the statement of comprehensive income and are equity appropriations in the statement of financial position.

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.

All amounts due to members that are classified as liabilities are presented in the statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

REAL ASSET PARTNERS LONDON LLP

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

3. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets

The LLP's financial assets comprise basic financial assets, being trade and other receivables, and cash and bank balances. Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Trade and other receivables are measured at transaction price less any impairment. Any impairment loss is recognised in the statement of comprehensive income. An impairment loss is measured at transaction price less any impairment. Any impairment loss is recognised in the statement of comprehensive income. An impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of that amount that the LLP would receive for the asset if it was to be sold at the reporting date. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are settled, or when substantially all the risks and rewards of the ownership of the asset are transferred.

Financial liabilities

The LLP's financial liabilities comprise basic financial liabilities, being trade and other payables. These are measured at the transaction price. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expired.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises

Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Provisions

Provisions are recognised when the LLP has a present obligation that arises as a result of a past event and it is probable that the LLP will be required to settle that obligation. Provisions are measured using the best estimate of the amount required to settle the obligations at the statement of financial position date.

REAL ASSET PARTNERS LONDON LLP

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

3. ACCOUNTING POLICIES - continued

Taxation

Taxation on all the LLP's profits is solely the personal liability of individual members and is not dealt with in these financial statements.

Going concern

The LLP had net losses of £1,016,522 (2016: net profits of £32,653) during the year and at the balance sheet date, it had net assets position of £173,909 (2016: £634,662). The members expect turnover to increase to around £2.5m in 2018 with estimated profit of around £1m. The members are actively involved in the development of the business and confirmed their willingness to continue to provide financial support as and when required to the LLP to meet its liabilities as they fall due for the foreseeable future. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

i. Depreciation of tangible fixed assets

The depreciation charge on tangible fixed assets is affected by the LLP's estimate of the useful economic life and residual value of the assets, which are reviewed on a regular basis.

ii. Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

5. REVENUE

The revenue and loss (2016 - profit) for the financial year before members' remuneration and profit shares are attributable to the one principal activity of the LLP.

An analysis of revenue by class of business is given below:

	2017	2016
	£	£
Rendering of services	<u>623,567</u>	<u>916,126</u>
	<u>623,567</u>	<u>916,126</u>

REAL ASSET PARTNERS LONDON LLP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. REVENUE - continued

An analysis of revenue by geographical market is given below:

	2017	2016
	£	£
United Kingdom	307,369	250,927
Europe	180,073	473,253
Rest of the World	<u>136,125</u>	<u>191,946</u>
	<u>623,567</u>	<u>916,126</u>

6. EMPLOYEE INFORMATION

	2017	2016
	£	£
Wages and salaries	400,597	215,216
Social security costs	<u>45,766</u>	<u>21,686</u>
	<u>446,363</u>	<u>236,902</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Average number of employee	<u>8</u>	<u>4</u>

7. OPERATING (LOSS)/PROFIT

The operating loss (2016 - operating profit) is stated after charging:

	2017	2016
	£	£
Operating leases	77,270	94,581
Depreciation - owned assets	4,853	4,518
Foreign exchange differences	15,484	4,315
Impairment of trade debtors	<u>320,066</u>	<u>-</u>

8. AUDITORS' REMUNERATION

	2017	2016
	£	£
Auditors remuneration:		
- Audit	4,500	-
- Accounts	11,040	11,370
- Tax	<u>1,000</u>	<u>1,000</u>
	<u>16,540</u>	<u>12,370</u>

REAL ASSET PARTNERS LONDON LLP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Interest payable on late filing	-	38
Members loan interest	<u>73,880</u>	<u>47,949</u>
	<u>73,880</u>	<u>47,987</u>

10. INFORMATION IN RELATION TO MEMBERS

	2017	2016
	£	£
Members' remuneration charged as an expense		
Automatic division of (loss)/profit	<u>(1,016,522)</u>	<u>32,653</u>

	2017	2016
The average number of members during the year was	<u>2</u>	<u>2</u>

	2017	2016
	£	£
The average members' remuneration during the year was	<u>-</u>	<u>-</u>

11. PROPERTY, PLANT AND EQUIPMENT

	Improvements to leasehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2017 and 31 December 2017	<u>5,183</u>	<u>3,246</u>	<u>13,674</u>	<u>22,103</u>
DEPRECIATION				
At 1 January 2017	833	2,246	8,051	11,130
Charge for year	<u>945</u>	<u>696</u>	<u>3,212</u>	<u>4,853</u>
At 31 December 2017	<u>1,778</u>	<u>2,942</u>	<u>11,263</u>	<u>15,983</u>
NET BOOK VALUE				
At 31 December 2017	<u>3,405</u>	<u>304</u>	<u>2,411</u>	<u>6,120</u>
At 31 December 2016	<u>4,350</u>	<u>1,000</u>	<u>5,623</u>	<u>10,973</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	56,936	278,207
Amounts due from members	1,521,089	504,567
Other debtors	148,339	64,744
Prepayments and accrued income	<u>126,682</u>	<u>314,940</u>
	<u>1,853,046</u>	<u>1,162,458</u>

REAL ASSET PARTNERS LONDON LLP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Trade debtors are stated after provisions for impairment of £320,066 (2016: £NIL).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	12,594	30,009
Social security and other taxes	14,171	15,387
Other creditors	50,192	1,617
Accruals and deferred income	<u>114,468</u>	<u>159,647</u>
	<u>191,425</u>	<u>206,660</u>

14. FINANCIAL COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	77,232	-
Between one and five years	<u>176,200</u>	<u>343,948</u>
	<u>253,432</u>	<u>343,948</u>

15. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>205,275</u>	<u>342,951</u>
	<u>232,532</u>	<u>515,409</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(177,254)</u>	<u>(191,273)</u>
	<u>(177,254)</u>	<u>(191,273)</u>

16. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2017	2016
	£	£
Loans from members	<u>1,620,719</u>	<u>1,064,950</u>

17. CONTINGENT ASSETS

At the year end the entity had a contingent asset of £0.3m related to a dispute with a client.

REAL ASSET PARTNERS LONDON LLP

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2017

18. RELATED PARTY DISCLOSURES

The designated member, Gaia Capital S.a.r.l., made several loans to Real Asset Partners London LLP, during the year amounting to £490,763 (2016: £416,209). The LLP repaid £8,873 (2016: £NIL) during the year. At the balance sheet date, the amount payable to Gaia Capital S.a.r.l was £1,620,719 (2016: £1,064,950) and is disclosed in note 16 to the financial statements. The loans are unsecured and repayable after more than one year and bear interest at market rate.

Interest payable on these loans amounts to £73,880 (2016: 47,949) during the year.

At the balance sheet date, amounts due from members amounted to £1,521,089 (2016: £504,567) and is disclosed in note 10 to the financial statements.

19. CONTROLLING PARTY

Control of the partnership is determined according to the voting rights as specified in the Partnership Agreement dated 28 November 2013. Real Asset Partners Limited, a company incorporated in England and Wales is the immediate parent undertaking.

The ultimate controlling party is Mr Marco D'Arro.