Company No: 04607476

AUTONOMY SERVICE COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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AUTONOMY SERVICE COMPANY LIMITED

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AUTONOMY SERVICE COMPANY LIMITED

COMPANY INFORMATION

Directors

Robert Gibbins
Jane Edwards
John Legge (resigned 11 June 2020)
Kelly Gouveia (appointed 9 November 2020, resigned 22 July 2021)
Darren McCue (appointed 22 July 2021)

Secretary

John Legge (resigned 11 June 2020)
Kristy Johnson (appointed 11 June 2020, resigned 22 July 2021)
Darren McCue (appointed 22 July 2021)

Registered Office

34th Floor, 110 Bishopsgate, London EC2N 4AY

Registered Number

04607476

Auditors

Moore Kingston Smith LLP
Devonshire House, 60 Goswell Road, London EC1M 7AD

Principal Banker

HSBC Bank plc
West End Commercial
2nd Floor, 16 King Street
Covent Garden
London WC2E 8JF

AUTONOMY SERVICE COMPANY LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their Strategic Report and the audited financial statatements of Autonomy Service Company Limited (the "Company") for the year ended 31 December 2020.

Principal activity and review of the business

The principal activity of the Company during the year was the provision of administration services to Autonomy Capital Research LLP ("the Partnership" or "LLP"). The Company is remunerated on a cost plus basis including a discretionary profit allocation from the Partnership, to cover the expenses it incurs.

Results, performance and key performance indicators (KPIs)

The results for the year, as set out on page 9, show a profit on ordinary activities before tax of £1,115,611 (2019: £812,480) an increase from last year of 37%. The total capital and reserves of the Company, as set out on page 10, total £1,461,595 (2019: £579,351).

The profit allocation received from the Partnership through Sub-Investment Management fees covers the costs of the Company at a mark up as disclosed in note 22 to the financial statements and other discretionary allocation of profits.

The Company aims to continuously provide administration services to the Partnership whilst maintining financial stability and efficiency. Overall the performance of the Company remains relatively stable and the Board monitors this by reference to the following KPIs:

	2020	2019	
Liquidity ratio	1.38	1.00	Ratio of current assets to current liabilities
Operating profit margin	14%	8%	Ratio of operating income to turnover

The LLP monitors the Partnership's capital maintenance requirements and obligations.

Risk and uncertainties facing the Company

The Company will continue to provide administrative services to the Partnership, and does not anticipate any material change to the way it operates. The greatest risk faced by the Company is its dependence on the performance of the Partnership for its sole source of income.

Details of the Company's financial risk management and its exposure to market, credit and liquidity risks are provided in note 3 of the financial statements.

Future development and post balance sheet events

The directors believe that the business will continue to be profitable in the coming year as there are no changes envisaged in the near future to the cost plus remuneration model.

Impact of the COVID-19 Pandemic

The Directors performed a broad analysis on future cash flows and group assets under management, applying multiple scenarios and stress testing to both. The analysis has shown that the group will continue to maintain relevant cash resources and uninterrupted flow of revenues for the foreseeable future. Furthermore, due to the nature of our IT infrastructure and the ability of our staff to successfully work remotely, our business operations have functioned without significant interruption since the pandemic began. The directors do not believe that there is a direct impact to the business because of COVID-19. Management is closely monitoring the evolution of this pandemic, including how it may affect the markets, the general population and the financial impact of these events.

AUTONOMY SERVICE COMPANY LIMITED
STRATEGIC REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement by the directors relating to their statutory duties under section 172(1) of the Companies Act 2006

The directors, in line with their duties under s172 of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, and in doing so have regard, amongst other matters, to the:

- Likely consequences of any decision in the long term;
- Interests of the Company's employees;
- Need to foster the Company's business relationships with its stakehoders;
- Impact of the Company's operations on the community and the environment;
- Desirability of the Company maintaining a reputation for high standards of business conduct;
- Need to act fairly between members of the Company.

Stakeholders
The directors understand the importance of engagement with all of its stakeholders and gives appropriate weighting to the outcome of its decisions for the relevant stakeholder in weighing up how best to promote the success of the Company. The directors regularly discuss issues concerning suppliers, employees, community and environment and its members understand the interests and views of the Company's stakeholders by engaging with them directly when required. The below summarises the key stakeholders and how we engage with each:

- **Suppliers**
  The Company works with a range of suppliers and remains committed to being fair and transparent in its dealings with all of its suppliers. Suppliers are generally relevant to the Company and the Company has, where relevant, procedures in place requiring due diligence of suppliers as to their internal governance, including for example, their anti-bribery and corruption practices, data protection policies and modern slavery matters. The Company has systems and processes in place to ensure suppliers are paid in a timely manner.

- **Employees**
  The Company has a well-established management reporting structure which encourages employee engagement in an open working environment. The directors are responsible for ensuring that this structure enables effective communication and feedback between employees and management.

- **Shareholder**
  The directors also seek to behave in a responsible manner towards our one shareholder. The directors communicate information relevant to its shareholder, such as its financial reporting.

The Strategic Report was approved by the page on 8 September 2021 and signed on its behalf by:

Darren McCue (Sep 8, 2021 13:09 GMT+1)

DARREN MCCUE
Director

AUTONOMY SERVICE COMPANY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the audited financial statements of Autonomy Service Company Limited (the "Company") for the year ended 31 December 2020.

Future developments and events since the end of the financial year

Likely future developments in the business of the Company and the post balance sheet events are discussed in the Strategic Report.

Dividends

During the year, the Company made a distribution of dividends amounting to £nil (2019:£900,000).

Directors' insurance

The Company has maintained throughout the year directors' liability insurance for the benefit of the Company and the directors.

Directors

The directors who served during the year were:

R Gibbins
J Edwards
John Legge (resigned 11 June 2020)
Kelly Gouveia (appointed 9 November 2020, resigned 22 July 2021)
Darren McCue (appointed 22 July 2021)

Statement as to disclosure of information to auditors

The directors who were members of the Board at the time of approving the Directors' Report are listed above. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

(a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and of the Company's auditors for that purpose, in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Auditors

On 2 November 2020, BDO LLP resigned as auditor and the Directors have appointed Moore Kingston Smith LLP as auditor in their place. Moore Kingston Smith LLP has indicated its willingness to continue in office.

AUTONOMY SERVICE COMPANY LIMITED
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report , Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The report of the directors was approved by the Board on 8 September 2021 and signed on its behalf by:

Darren McCue (Sep 8, 2021 13:09 GMT+1)
DARREN MCCUE
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY SERVICE COMPANY LIMITED

Opinion

We have audited the financial statements of Autonomy Service Company Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit 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.

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 Company 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual 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, except to the extent otherwise explicitly stated in our report, 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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY SERVICE COMPANY LIMITED (Continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors Responsibilities, the Directors 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 Directors 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 Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.

- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY SERVICE COMPANY LIMITED (Continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Moore Kingston Smith LLP

9 September 2021

Thomas Moore (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

AUTONOMY SERVICE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £ (As Restated Note 25)
Turnover	4	8,443,388	10,604,450
Administrative expenses		(7,303,464)	(9,751,783)
Operating profit	5	1,139,924	852,667
Other income			
Bank interest received		44	104
Net loss on investments measured at fair value through profit or loss		(27,305)	(50,479)
Other income		2,948	10,188
Profit on ordinary activities before taxation		1,115,611	812,480
Tax on profit on ordinary activities	8	(233,367)	(254,063)
Total comprehensive income		882,244	558,417

The notes on pages 13 to 24 form part of these financial statements.

AUTONOMY SERVICE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020
COMPANY NUMBER: 04607476

	Notes	2020	2019
		£	£ (As Restated Note 25)
Fixed assets			
Tangible assets	9	946,824	1,263,637
Investments in associated undertaking	11	4,750	4,750
		951,574	1,268,387
Current assets			
Debtors and other receivables	13	2,690,674	4,551,341
Investments measured at fair value through profit or loss	14	950,967	728,386
Cash and cash equivalents	15	140,111	105,488
		3,781,752	5,385,215
Creditors: amounts falling due within one year	17	(2,745,283)	(5,374,914)
Net current assets		1,036,469	10,301
Total assets less current liabilities		1,988,043	1,278,688
Creditors: amount falling due after more than one year	18	(526,448)	(699,337)
Net assets		1,461,595	579,351
Capital and reserves			
Called up share capital	19	3	3
Retained earnings		1,461,592	579,348
Total capital and reserves		1,461,595	579,351

The financial statements were approved by the Board on 8 September 2021 and signed on its behalf by:

Darren McCue (Sep 8, 2021 13:09 GMT+1)

DARREN MCCUE
Director

The notes on pages 13 to 24 form part of these financial statements.

AUTONOMY SERVICE COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Called up share capital	Retained earnings	Total Capital and reserves
		£	£	£
At 1 January 2019 – as previously stated		3	1,415,783	1,415,786
Prior year adjustment	25		(494,852)	(494,852)
At 1 January 2019 – as restated		3	920,931	920,934
Comprehensive income				
Profit for the year – as restated	25	-	558,417	558,417
Transaction with owners				
Dividend distribution		-	(900,000)	(900,000)
At 31 December 2019		3	579,348	579,351
At 1 January 2020		3	579,348	579,351
Comprehensive income				
Profit for the year		-	882,244	882,244
Transaction with owners				
Dividend distribution		-	-	-
At 31 December 2020		3	1,461,592	1,461,595

The notes on pages 13 to 24 form part of these financial statements.

AUTONOMY SERVICE COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020	2019
		£	£
Cash flows from operating activities			
Net cash inflow from operations	20	469,499	925,845
Income tax paid		(223,433)	(242,148)
Net cash generated from operating activities		246,066	683,697
Cash flows from investing activities			
Purchase of tangible fixed assets		(38,735)	(499,084)
Purchase of investments measured at fair value through profit or loss	14	(621,740)	(385,542)
Repayment of advances to / (advances to) employee	13	50,242	(121,004)
Proceeds on disposal of tangible fixed assets		-	8,985
Proceeds on disposal of investments measured at fair value through profit or loss		371,855	208,385
Interest income received		44	104
Net cash used in investing activities		(238,334)	(788,156)
Net increase / (decrease) in cash and cash equivalents during the year		7,732	(104,459)
Balance of cash and cash equivalents at beginning of year		105,488	221,859
Exchange gain / (loss) on cash and cash equivalents		26,891	(11,912)
Balance of cash and cash equivalents at end of year		140,111	105,488

AUTONOMY SERVICE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. **Significant accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a) General information, statement of compliance, basis of accounting and going concern

Autonomy Service Company Limited ("the Company") is a private limited company incorporated in the United Kingdom under Companies Act on 3 December 2002. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The Company's financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council as it applies to the financial statements of the Company.

The financial statements have been prepared on the historical cost basis, except for the revaluation of investments measured at fair value through profit or loss, and are stated in pounds sterling which is the functional currency of the Company.

Impact of the COVID-19 Pandemic

As part of the going concern assessment the Directors performed a broad analysis on future cash flows and group assets under management, applying multiple scenarios and stress testing to both. The analysis has shown that the group will continue to maintain relevant cash resources and uninterrupted flow of revenues for the foreseeable future. Furthermore, due to the nature of our IT infrastructure and the ability of our staff to successfully work remotely, our business operations have functioned without significant interruption since the pandemic began. The directors do not believe that there is a direct impact to the business because of COVID-19. Management is closely monitoring the evolution of this pandemic, including how it may affect the markets, the general population and the financial impact of these events.

The directors, having made all the necessary enquiries, do not anticipate any changes in the Company's activities or circumstances in the foreseeable future. The directors have concluded, based on these assumptions, that it is appropriate to prepare the financial statements on a going concern basis.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended.

Depreciation is charged on a straight line basis in order to write off the cost of the asset over its useful economic life or, in the case of leasehold improvements, the lease term. The following annual rates have been used:

Computer equipment	33 1/3%
Office equipment	33 1/3%
Leasehold improvements	10%

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

c) Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received.

Turnover

Turnover is accounted for on an accruals basis. Discretionary allocations of profit from the LLP are accounted for when allocated.

Interest income

Interest income is accounted for on an accruals basis.

1. Significant accounting policies (continued)

d) Foreign currencies

Transactions in foreign currencies are initially recorded in the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the year-end date. All differences are taken to profit or loss.

Non-monetary assets and liabilities are not subjected to any further translations once originally recorded.

e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and short term deposits with original maturities of three months or less and that are subject to an insignificant risk of change in values.

f) Operating leases

Rentals payable under operating leases are charged to profit or loss on an accruals basis. Lease incentives are recognised as a reduction to the expense over the lease term, on a straight-line basis.

g) Employee benefits

Defined contribution plan

The Company operates a defined contribution plan for its employees. The contributions are recognised in profit or loss in the period in which they become payable. The assets of the plan are held separately from the Company in independently administered funds.

Cash-settled long term discretionary compensation participation program

The Company operates a cash-settled long term discretionary compensation participation program for certain employees. The Company, in its sole discretion, invests the amount of compensation in the fund and allocates to the employees. This remains invested in the fund for two years, which is the vesting period, and cannot be redeemed in instalment by the employees until the entire amount becomes fully vested. The employees will have no rights with the discretionary compensation that have not reached its vesting date if the employees voluntarily terminate their employment with the Company.

The Company recognises the cost and liability when there is a present legal or constructive obligation to make such payment as a result of past events and a reliable estimate of the obligation can be made. The Company measures the cost and the liability incurred at the fair value of the liability. Until the liability is settled, the Company remeasures the fair value of the liability at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the year.

h) Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the year adjusted for items which are nonassessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

1. Significant accounting policies (continued)

i) Financial Instruments

Financial instruments are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through profit or loss, which are initially recognised at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

i. Financial assets and liabilities

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under other operating expenses.

Financial assets are derecognised only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

ii. Advances to employee

Advances to employees are initially recognised at transaction price and subsequently carried at amortised cost using the effective interest method.

iii. Investments

Investments held as fixed assets are measured at cost less impairment.

The fair value of the current asset investment is determined with reference to the net asset value of the Company's proportionate share of the applicable fund at the reporting date.

iv. Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique. The fair value of the current asset investment is determined with reference to the net asset value of the Company's proportionate share of the applicable fund at the reporting date.

1. Significant accounting policies (continued)

i) Financial Instruments (continued)

v. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each year-end date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions which affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, the nature of estimation means that actual outcomes could differ from those 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

a) Fair value of investments held as current assets

The fair value of financial instruements that are not traded in an active market is determined by using valuation techniques and is determined by reference to the valuations prepared by the fund administrators. The Company relies on the immediate parent entitity's verification of variety of methods applied by the fund administrators and assumptions used that are mainly based on market conditions existing at the end of each reporting period. Current asset investments are stated at the net asset value of the company's proportionate share of the applicable fund and any movements in the fair value are taken to profit or loss.

AUTONOMY SERVICE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

b) Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs an impairment test based on fair value less costs to sell. The fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset.

c) Recognition and fair value of the cash-settled discretionary compensation

The Company, in its sole discretion, invests the amount of compensation in the fund and allocates to the employees. This remains invested in the fund for two years, which is the vesting period, and cannot be redeemed in instalment by the employees until the entire amount becomes fully vested. The Company accounts for the expense and liability in respect of the cash-settled discretionary compensation from the year the award arises and during the vesting period due to the presumed contractual obligation to settle the compensation. The fair value of the liability at each reporting date and at the date of settlement is stated with reference to the fair value of the related investment.

3. Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The risk management committee employed by the Company is responsible for developing and monitoring Company's risk management strategy and policies. The committee reports regularly to the board of directors on its activities. There have been no changes to the Company's exposures to risk or the methods used to measure and manage these risks during the year.

The Company is exposed to a variety of financial risks from its use of financial instruments measured at fair value through profit or loss. The Company monitors and manages the financial risks which include market risk, credit risk and liquidity risk. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Company seeks to minimise these risks as detailed below:

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Company has an exposure of £950,967 (2019: £728,386) to market price risk.

Credit Risk Management

Credit risk refers to the risk a counterparty will default on its contractual obligations resulting in financial losses. The Company's principal credit exposure relates to the balance of its cash, trade receivables and current asset investments.

The Company manages credit risk with respect to current asset investments by holding such assets in funds that are within the Group; the credit risk on these balances is considered to be limited.

3. Financial risk management (continued)

Liquidity Risk Management

The Company has built an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company has not made any significant guarantees of third party or related party actual or potential obligations.

4. Turnover

The turnover for the year is mainly attributable to service management fees received to cover the expenses incurred in the establishment and ongoing operational support of the LLP plus a margin of 10% thereon, as determined by the Partnership agreement. The reimbursement is provided via an allocation of profits from the LLP and (if required) a transfer from the LLP's members' capital. It also includes discretionary allocations of profits from the LLP. All turnover is derived from operations in the UK.

5. Operating profit

Operating profit is stated after charging:

	2020 £	2019 £ (As restated - Note 25)
Auditor's remuneration:		
Audit	27,499	29,862
Taxation services	4,750	10,600
Depreciation of tangible fixed assets	326,960	355,379
Foreign currency exchange loss	(28,959)	(46,104)
Operating lease rentals:		
Land and buildings	396,162	415,132
Research and market data	320,604	250,379

6. Employees

Average monthly number of employees, including executive directors:

	2020 Number	2019 Number
Administration	1	1
Technology	2	2
Research and portfolio management	20	18
Total	23	21

AUTONOMY SERVICE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Employees (continued)

Their aggregate remuneration comprised:	2020	2019
	£	£ (As restated - Note 25)
Wages, salaries and bonus	4,174,774	5,714,047
Social security costs	572,579	765,306
Pension costs	111,676	87,520
Cash-settled discretionary compensation	194,957	425,578
	5,053,986	6,992,451

7. Directors' remuneration and transactions

Directors' remuneration for the year to 31 December 2020 was £nil (2019: £nil).
Remuneration of key management personnel for the year to 31 December 2020 was £nil (2019: £nil).

8. Taxation

The tax charge comprised:	2020	2019
	£	£ (As restated - Note 25)
UK corporation tax	233,367	254,063
Current year tax charge	217,427	265,155
Overprovision of tax from prior years	(43)	(3,083)
Current tax	217,384	262,072
Deferred tax – origination and reversal of timing differences in respect of the cash-settled discretionary compensation	15,983	(8,009)
Total tax charge	233,367	254,063

The reconciliation of tax charge is as follows:

Profit on ordinary activities before taxation	1,115,611	812,480
Theoretical tax at UK corporation tax of 19% (2019: 19%)	211,966	154,371
Effects of:		
- expenses disallowed for tax purposes	21,444	33,283
- income disallowed for tax purposes	-	(1,707)
- overprovision of tax from prior years	(43)	(3,083)
- movement and adjustment on disallowed deferrd tax asset	-	71,199
Tax charge for the year	233,367	254,063

The tax charge in future periods may be affected by change in the UK corporation tax rate and changes in the Company's future earnings.

9. Tangible fixed assets

	Office equipment	Computer equipment	Leasehold improvements	Total
Cost	£	£	£	£
At 1 January 2020	118,945	780,244	1,314,702	2,213,891
Additions	-	10,147	-	10,147
Disposals	-	(108,885)	-	(108,885)
At 31 December 2020	118,945	681,506	1,314,702	2,115,153
Depreciation				
At 1 January 2020	77,909	609,405	262,940	950,254
Charge for the year	39,148	156,341	131,471	326,960
Disposals	-	(108,885)	-	(108,885)
At 31 December 2020	117,057	656,861	394,411	1,168,329
Net book value				
At 1 January 2020	41,036	170,839	1,051,762	1,263,637
At 31 December 2020	1,888	24,645	920,291	946,824

10. Basic financial assets measured at amortised cost

	2020	2019
	£	£
Cash and cash equivalents (Note 15)	140,111	105,488
Trade, loan and other debtors (Note 13)	2,242,619	4,139,943
Total basic financial assets measured at amortised cost	2,382,730	4,245,431

11. Investment in associated undertaking

	2020	2019
	£	£
Capital contributions to the LLP	4,750	4,750

The investment relates to a capital contribution made to the LLP, which the Company is a member of. The Company has a capital interest in the LLP of 1.10%.

12. Deferred tax asset

	2020	2019
	£	£ (As restated - Note 25)
Cash-settled discretionary compensation	63,225	79,208

The net reversal of deferred tax assets expected in 2021 is £48,856. This is expected to arise because of vesting of portion of the cash-settled discretionary compensation.

13. Debtors and other receivables

	2020 £	2019 £ (As restated - Note 25)
Amounts due from the LLP (Note 21)	2,169,387	3,995,085
Advances to employee	69,632	122,207
Other debtors	116,353	88,268
Prepayments and accrued income	272,077	266,573
Deferred tax asset (Note 12)	63,225	79,208
	2,690,674	4,551,341

The amount advanced to employee incurs interest of 2.25 (2019: 2.5%) per annum and is repayable on demand.

14. Investments measured at fair value through profit or loss

	2020 £	2019 £
Beginning of year	728,386	601,708
Additions	621,740	385,542
Disposal	(421,454)	(203,702)
Net movement in fair value	22,295	(55,162)
	950,967	728,386

The investments measured at fair value through profit or loss relate to the Company's investment in Autonomy Global Macro Fund Limited and Autonomy Rochevera Limited. The fair value of the above investments were determined with reference to the net asset value of the Company's proportionate share of the applicable fund at the reporting date.

The Company's exposure to market, credit and liquidity risks relating to investments measured at fair value through profit or loss is detailed in note 3.

15. Cash and cash equivalents

	2020 £	2019 £
Balances with banks	140,111	105,488
Cash and cash equivalents comprise the following:		
Pounds sterling	120,184	86,808
US dollar - $20,052 (2019: $2,190)	15,339	1,665
Euros - €5,104 (2019: €19,966)	4,588	17,015
Cash and cash equivalents in statement of cash flows	140,111	105,488

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Basic financial liabilities measured at amortised cost

	2020 £	2019 £
Creditors: amounts falling due within one year	1,039,279	2,286,218
Total basic financial liabilities measured at amortised cost	1,039,279	2,286,218

17. Creditors: amounts falling due within one year

	2020 £	2019 £ (As restated - Note 25)
Trade creditors	28,295	231,959
Corporate tax (Note 8)	259,106	265,155
Other taxation and social security costs	1,134,897	2,389,168
Accruals	1,010,984	2,054,259
Rent free creditor	88,767	87,685
Cash-settled discretionary compensation (Notes 1g, 2c)	223,234	346,688
	2,745,283	5,374,914

The average credit period on purchases of goods and services approximates 30 days (2019: 30 days). No interest is charged on overdue payables. The Company has financial risk management policies in place to ensure all payables are paid within the agreed credit terms.

18. Creditors: amount falling due after more than one year

	2020 £	2019 £ (As restated - Note 25)
Rent free creditor	193,686	282,453
Cash-settled discretionary compensation (Notes 1g, 2c)	332,762	416,884
	526,448	699,337

The Company entered into an operating lease agreement effective 30 August 2020 for the use of the office building which has 22 months rent free period. The lease term expires on 29 August 2028.

19. Called up share capital

	2020 £	2019 £
Allotted and fully paid		
3 ordinary shares of £1 each share	3	3

AUTONOMY SERVICE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20. Notes to the statement of cash flows

a) Reconciliation of operating profit to net cash flow from operations

	2020 £	2019 £ (As Restated - Note 25)
Operating profit	1,139,924	852,667
Unrealised (gain) / loss on foreign exchange	(21,611)	11,912
Loss on disposal of tangible fixed assets	-	-
Depreciation	326,960	355,379
Decrease / (increase) in debtors	1,792,109	(1,714,210)
(Decrease) / increase in creditors	(2,767,883)	1,420,097
Net cash inflow from operations	469,499	925,845

b) Major non cash transaction in financing activites

During the year the company declared a dividend of £nil (2019: £900,000), this was settled through an offset against the receivable from the LLP.

21. Operating lease and other commitments

The Company entered into an operating lease agreement dated 4 December 2012 for the use of the office building. The lease term expired on 23 June 2019 and extended to 23 January 2020.

The Company entered into an operating lease agreement effective 30 August 2019 for the use of the office building. The lease term expires on 29 August 2028.

The company has the following total future minimum lease payments under non-cancellable operating leases:

	2020 £	2019 £
Research and market data		
Expiry date:		
Within one year	142,679	233,809
Between two and five years	36,701	172,173
Land and buildings		
Expiry date:		
Within one year	483,847	483,847
Between two and five years	806,412	1,290,259
After five years	-	-
Total	1,469,639	2,180,088

AUTONOMY SERVICE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

22. Related party transactions

During the year the LLP allocated to the Company (the LLP's corporate member) £8,443,388 (2019: £10,604,450). This was in respect of operating platform expenses incurred on behalf of the LLP of £6,360,536 (2019: £7,760,857) at a mark up of 10% (2019: 10%), other operating and research portfolio management expenses at cost of £1,173,412 (2019: £1,779,538) and a discretionary profit distribution of £273,386 (2019: £287,969). At 31 December 2020, the LLP owed the Company a net amount of £2,169,387 (2019: £3,995,085).

During the year the company declared a dividend of £nil (2019: £900,000), this was settled through an offset against the receivable from the LLP.

23. Control

The immediate parent entity is Autonomy Capital (Jersey) LP and its General Partner is Autonomy Capital (Jersey) Limited. The ultimate controlling party is Robert Gibbins.

24. Post balance sheet events

Since the end of the year, the directors are not aware of any matter or circumstance that may significantly affect the state of affairs of the Company.

25. Prior year adjustments

		As previously stated	Prior year adjustments	Prior year adjustments	As Restated
			(a)	(b)	
	As at:	£	£	£	£
Debtors and other receivables	1 January 2019	3,535,716	-	71,199	3,606,915
	31 December 2019	4,472,133	-	79,208	4,551,341
Total creditors	1 January 2019	4,507,958	566,051	-	5,074,009
	31 December 2019	5,269,000	805,251	-	6,074,251
Total capital and reserves	1 January 2019	1,415,786	(566,051)	71,199	920,934
	31 December 2019	1,305,394	(805,251)	79,208	579,351
	For the year ended:				
Administrative expenses	31 December 2019	9,554,262	197,521	-	9,751,783
Tax on profit on ordinary activities	31 December 2019	220,393	-	33,670	254,063
Profit	31 December 2019	789,608	(197,521)	(33,670)	558,417

a) In the prior years, the Company's cash-settled discretionary compensation was not recognised in the Statement of Comprehensive income until the entire amount becomes fully vested. The Company, in its sole discretion, invests the amount of compensation in the fund and allocates to the employees. This remains invested in the fund for two years, which is the vesting period, and cannot be redeemed in instalment by the employees until the entire amount becomes fully vested. The Company now accounts for the expense and liability in respect of the cash-settled discretionary compensation from the year the award arises and during the vesting period due to the presumed contractual obligation to settle the compensation.

b) Additionally, as a consequence, the current and deferred tax arising from the above-mentioned adjustment have been made. The adjustment on deferred tax has been recognised using the tax rate that has been enacted by the reporting date that is expected to apply to the reversal of the timing difference.