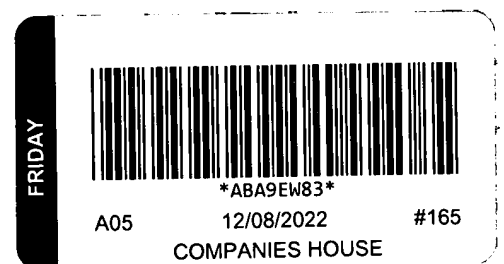


LLP Number: OC303616

AUTONOMY CAPITAL RESEARCH LLP
MEMBERS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



AUTONOMY CAPITAL RESEARCH LLP

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AUTONOMY CAPITAL RESEARCH LLP**LIMITED LIABILITY PARTNERSHIP INFORMATION****Designated members**

Robert Gibbins
Jane Edwards
Autonomy Service Company Limited (as corporate member)

Registered number

OC303616

Registered office

Devonshire House, 60 Goswell Road, London, England, EC1M 7AD

Auditor

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 CAPITAL RESEARCH LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

This report to the members of Autonomy Capital Research LLP ("the Partnership" or "LLP") is presented for the year ended 31 December 2021.

Principal activity

The principal activity of the Partnership is the provision of Sub-Investment Management services. The Partnership does not have any subsidiary undertakings. The Partnership is authorised and regulated by the Financial Conduct Authority.

Business review

The Partnership provides Sub-Investment Management services to a portfolio of alternative investment funds.

The profit for the year before members' remuneration was £10,021,858 (2020: £9,313,878).

Designated members

Members during the year and to date are as follows:

Robert Gibbins

Jane Edwards

Autonomy Service Company Limited (corporate member)

Policies regarding members' drawings, and the subscription and repayment of members' capital

Policies regarding members' drawings, transfers from capital to debt and the subscription and repayment of members' capital are governed by the Limited Liability Partnership Agreement dated 27 October 2011.

Auditors

Moore Kingston Smith LLP has indicated its willingness to continue in office.

Pillar 3 disclosure

The LLP's Pillar 3 disclosure is available as an appendix to the audited financial statements filed with Companies House.

This report was approved and signed by:



DARREN MCCUE

Director

Autonomy Service Company Limited (corporate member)

27 April 2022

**AUTONOMY CAPITAL RESEARCH LLP
MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

The Companies Act 2016 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "2008 Regulations"), as applicable to LLPs, 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 Standards and applicable law). Under company law, as applicable to LLPs, 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 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 LLP will continue in business.

Under Regulation 6 of the 2008 Regulations, 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 2008 Regulations, as applicable to LLPs. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY CAPITAL RESEARCH LLP

Opinion

We have audited the financial statements of Autonomy Capital Research LLP ('the limited liability partnership') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Members' Interests, the Statement of Cash Flows and 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 FRS 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 limited liability partnership's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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 members' 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 limited liability partnership'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 members with respect to going concern are described in the relevant sections of this report.

Other information

The members 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY CAPITAL RESEARCH LLP (Continued)

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 members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the members' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the limited liability partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the members' report.

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

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

Responsibilities of members

As explained more fully in the members' responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the limited liability partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 limited liability partnership. Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the limited liability partnership and considered that the most significant are the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the Limited Liability Partnership's SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTONOMY CAPITAL RESEARCH LLP (Continued)

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

- We obtained an understanding of how the limited liability partnership 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.
- 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.

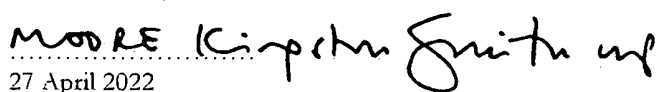
As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 limited liability partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 limited liability partnership'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 limited liability partnership 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 limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken for no purpose other than to draw to the attention of the limited liability partnership's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the limited liability partnership and limited liability partnership's members as a body, for our work, for this report, or for the opinions we have formed.


27 April 2022

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 CAPITAL RESEARCH LLP
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	1(b)	10,019,648	9,335,750
Administrative expenses		(826)	(739)
Exchange gain / (loss)		3,036	(21,133)
Operating profit	4	<u>10,021,858</u>	<u>9,313,878</u>
Profit for the financial year before members' remuneration and profit shares		10,021,858	9,313,878
Members' remuneration charged as an expense		<u>(9,963,194)</u>	<u>(8,611,178)</u>
Profit for the financial year available for division among members		58,664	702,700
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the members		<u>58,664</u>	<u>702,700</u>

The notes on pages 12 to 18 form part of these financial statements.

AUTONOMY CAPITAL RESEARCH LLP
LLP NUMBER: OC303616
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	7	4,593,095	2,894,186
Cash and cash equivalents		112,461	479,707
		<u>4,705,556</u>	<u>3,373,893</u>
Net assets attributable to members		<u>4,705,556</u>	<u>3,373,893</u>
 Represented by:			
Loans and other debts due to members within one year			
-Other amounts		4,219,578	2,834,164
 Equity			
Members' capital classified as equity		430,000	430,000
Members' other interests - other reserves classified as equity		55,978	109,729
		<u>4,705,556</u>	<u>3,373,893</u>
 Total members' interests			
Loans and other debts due to members		4,219,578	2,834,164
Members' other interests		485,978	539,729
		<u>4,705,556</u>	<u>3,373,893</u>

The financial statements were approved by the members on 27 April 2022 and signed on its behalf by:



DARREN MCCUE

Director

Autonomy Service Company Limited (corporate member)

The notes on pages 12 to 18 form part of these financial statements.

AUTONOMY CAPITAL RESEARCH LLP
STATEMENT OF CHANGES IN MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Equity Members' Other Interests			Debt Loans and other debts due to members less any amounts due from members in debtors			Total Members' Interests
	Members' capital (classified as equity)	Other reserves	Total	Member's capital (classified as debt)	Other amounts	Total	Total
	£	£	£	£	£	£	£
Amounts due to members	430,000	109,729	539,729	-	2,834,164	2,834,164	3,373,893
Amounts due from members	-	-	-	-	-	-	-
Balances at 1 January 2021	430,000	109,729	539,729	-	2,834,164	2,834,164	3,373,893
Members' remuneration charged as expense	-	-	-	-	9,963,194	9,963,194	9,963,194
Profit available for discretionary division	-	58,664	58,664	-	-	-	58,664
Members' interest after profit for the year	430,000	168,393	598,393	-	12,797,358	12,797,358	13,395,751
Other divisions of profit	-	(702,701)	(702,701)	-	702,701	702,701	-
Drawings	-	-	-	-	(8,690,195)	(8,690,195)	(8,690,195)
Amounts due to / (from) members	430,000	(534,308)	(104,308)	-	4,809,864	4,809,864	4,705,556
Amounts due from members	-	590,286	590,286	-	(590,286)	(590,286)	-
Balances at 31 December 2021	430,000	55,978	485,978	-	4,219,578	4,219,578	4,705,556

Amounts due to members would rank equally with other unsecured creditors in the event of a winding up of the LLP.

The notes on pages 12 to 18 form part of these financial statements.

AUTONOMY CAPITAL RESEARCH LLP
STATEMENT OF CHANGES IN MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Equity			Debt			Total Members' Interests
	Members' Other Interests			Loans and other debts due to members less any amounts due from members in debtors			
	Members' capital (classified as equity)	Other reserves	Total	Member's capital (classified as debt)	Other amounts	Total	
	£	£	£	£	£	£	
Amounts due to members	430,000	1,213,546	1,643,546	-	3,995,085	3,995,085	5,638,631
Amounts due from members	-	-	-	-	-	-	-
Balances at 1 January 2020	430,000	1,213,546	1,643,546	-	3,995,085	3,995,085	5,638,631
Members' remuneration charged as expense	-	-	-	-	8,611,178	8,611,178	8,611,178
Profits available for discretionary division	-	702,700	702,700	-	-	-	702,700
Members' interest after profit for the year	430,000	1,916,246	2,346,246	-	12,606,263	12,606,263	14,952,509
Other divisions of profit	-	(1,806,517)	(1,806,517)	-	1,806,517	1,806,517	-
Drawings	-	-	-	-	(11,578,616)	(11,578,616)	(11,578,616)
Amounts due to members	430,000	109,729	539,729	-	2,834,164	2,834,164	3,373,893
Amounts due from members	-	-	-	-	-	-	-
Balances at 31 December 2020	430,000	109,729	539,729	-	2,834,164	2,834,164	3,373,893

Amounts due to members would rank equally with other unsecured creditors in the event of a winding up of the LLP.

The notes on pages 12 to 18 form part of these financial statements.

AUTONOMY CAPITAL RESEARCH LLP
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash inflow from operating activities			
Net cash inflow from operations	9	<u>8,322,949</u>	<u>11,591,386</u>
Net cash generated from operating activities		<u>8,322,949</u>	<u>11,591,386</u>
Cash outflow from financing activities			
Transactions with members		<u>(8,690,195)</u>	<u>(11,578,616)</u>
Cash used in financing activities		<u>(8,690,195)</u>	<u>(11,578,616)</u>
(Decrease) / increase in cash and cash equivalents during the year		(367,246)	12,770
Cash and cash equivalents at beginning of year		<u>479,707</u>	<u>466,937</u>
Cash and cash equivalents at end of year		<u><u>112,461</u></u>	<u><u>479,707</u></u>

The notes on pages 12 to 18 form part of these financial statements.

**AUTONOMY CAPITAL RESEARCH LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 Capital Research LLP (the “Partnership”) is a limited liability partnership incorporated in the United Kingdom on 23 December 2002 under the Limited Liability Partnerships Act 2000. The address of the registered office is given on page 1. The nature of the Partnership’s operations and its principal activities are set out in the members’ report on page 2.

The Partnership’s financial statements have been prepared in compliance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council as applicable in the UK and Ireland, the Statement of Recommended Practice: Accounting by Limited Liability Partnerships (effective for periods commencing on or after 1 January 2019), and the terms of the Partnership’s Membership Agreement as they apply to the financial statements of the Partnership for the year ended 31 December 2021, unless otherwise disclosed in the financial statements.

The financial statements have been prepared on the historical cost basis and in pound sterling which is the functional currency of the Partnership.

Impact of the COVID-19 Pandemic

As part of the going concern assessment the members 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 for the foreseeable future. The pandemic caused a sharp increase in the volatility of all financial markets. The strategy of the group has not changed as a result of the pandemic and the group has not seen any material adverse effects to its operations during the period. 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 members, having made all the necessary enquiries, do not anticipate any changes in the Partnership’s activities or circumstances in the foreseeable future. The members have concluded, based on these assumptions that it is appropriate to prepare the financial statements on a going concern basis.

(b) Revenue recognition

Turnover comprises Sub-Investment Management fees. The Sub-Investment Management fees are accounted for in the statement of comprehensive income on an accruals basis.

(c) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into the reporting currency at the rate of exchange ruling at the year-end date. Exchange differences are taken to profit or loss.

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

(d) Expenses

All expenses have been accounted for on an accruals basis.

AUTONOMY CAPITAL RESEARCH LLP
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Significant accounting policies (continued)

(e) Taxation

No provision for taxation is made, as any liability arising is assessable directly on the members of the Partnership.

(f) Service company expenses

An amount is allocated to Autonomy Service Company Limited (the “corporate member”) in respect of the expenses it incurs on behalf of the Partnership including a margin of 10 per cent thereon in accordance with the Group transfer pricing policy.

(g) 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 changes in values.

(h) Financial Instruments

Financial instruments are recognised on the Partnership’s statement of financial position when the Partnership becomes a party to the contractual provisions of the instrument.

i. Financial assets and liabilities

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.

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

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 Partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Partnership, 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 expired.

AUTONOMY CAPITAL RESEARCH LLP
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Significant accounting policies (continued)

(h) Financial Instruments (continued)

ii. 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.

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 Partnership's accounting policies, which are described in note 1, the members 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.

Revenue recognition

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. The discretionary allocation of profits from the LLP are highly sensitive to transfer pricing modelling performed at a group level in line with the Group transfer pricing policy.

3. Financial risk management

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

AUTONOMY CAPITAL RESEARCH LLP
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management (continued)

The Partnership monitors and manages the financial risks which include market risk, credit risk and liquidity risk. The Partnership does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Partnership 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 Partnership might suffer through holding market positions in the face of price movements. The Partnership has limited exposure to market risk given the nature of the financial assets held.

Credit Risk Management

Credit risk refers to the risk a counterparty will default on its contractual obligations resulting in financial losses. The Partnership's principal credit exposure relates to the balance of its financial assets.

The Partnership manages credit risk with respect to cash by holding such assets in AA rated global financial institution, the credit risk on these balances is considered to be limited.

There is limited credit exposure from balances due from related group undertaking (trade debts).

Except as detailed in the following table, the carrying amount of financial assets recorded in the financial statements, represents the Partnership's maximum exposure to credit risk as no collateral or other credit enhancement are held.

Maximum credit risk exposures

	Neither past due nor impaired	Past due in the following period but not impaired	Total
2021	£	£	£
Cash and cash equivalents	112,461	-	112,461
Trade debtors	4,593,095	-	4,593,095
	<u>4,705,556</u>	<u>-</u>	<u>4,705,556</u>
2020	£	£	£
Cash and cash equivalents	479,707	-	479,707
Trade debtors	2,894,186	-	2,894,186
	<u>3,373,893</u>	<u>-</u>	<u>3,373,893</u>

AUTONOMY CAPITAL RESEARCH LLP
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Financial risk management (continued)

Liquidity Risk Management

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

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

4. Operating profit

Operating profit is stated after charging:

	2021	2020
	£	£
Foreign currency exchange gain / (loss)	3,036	(21,133)

Auditor's remuneration for the audits of the Partnership and the corporate member of £35,500 (2020: £27,499) has been incurred by the corporate member. These expenses are included in the amounts allocated to the corporate member.

5. Employees

Average monthly number of employees, including members:

	2021 Number	2020 Number
Investment management and advisory	2	2
Corporate member	1	1
	3	3

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6. Key management personnel

The average number of members during the period was 3 (2020: 3).

Key management personnel comprises the two individual members. Total key management personnel net loss allocation was £283,672 (2020: remuneration £870,490).

The members of the Partnership are remunerated based on the profits of the Partnership in respect of each financial year. It is allocated amongst the members in accordance with clause 9.3 and 9.4 of the limited liability partnership agreement.

The profit (including remuneration), that is attributable to the member with the largest entitlement to profit (including remuneration), is £9,738,186 (2020: £8,443,388) (the corporate member).

7. Debtors

	2021 £	2020 £
Trade debtors	4,593,090	2,894,181
Prepayments and accrued income	5	5
	<u>4,593,095</u>	<u>2,894,186</u>

8. Related party transactions

During the year the Partnership allocated to its corporate member, £9,738,186 (2020: £8,443,388). This was in respect of operating platform expenses incurred on behalf of the LLP of £7,610,852 (2020: £6,360,536) at a mark up of 10% (2020: 10%), other operating and research portfolio management expenses at cost of £1,115,879 (2020: £1,173,412) and a discretionary profit distribution of £250,370 (2020: £273,386).

During the year the Partnership invoiced Autonomy Capital (Jersey) LP ("ACJLP") £10,019,648 (2020: £9,335,750) in respect of Sub-Investment Management fees. ACJLP is considered a related party due to the level of control and influence that one of the Partnership's members can exercise.

At 31 December 2021, the corporate member was due from the Partnership £3,814,946 (2020: £2,169,387) and £4,593,090 (2020: £2,894,181) was due to the Partnership from ACJLP.

9. Reconciliation of operating profit to net cash inflow from operating activities

	2021 £	2020 £
Operating profit	10,021,858	9,313,878
(Increase) / decrease in debtors	<u>(1,698,909)</u>	<u>2,277,508</u>
Net cash inflow from operations	<u>8,322,949</u>	<u>11,591,386</u>

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10. Ultimate controlling party

The ultimate controlling party of the LLP is Robert Gibbins. At 31 December 2021, Robert Gibbins was due from the Partnership £404,631 (2020: £994,916).

11. Post balance sheet events

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