
AUTONOMOUS RESEARCH LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019



BERNSTEIN



AUTONOMOUS RESEARCH LLP

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AUTONOMOUS RESEARCH LLP

INFORMATION

Members	Stuart Graham, (resigned as designated member and appointed as member on 01/04/2019) Edward Allchin, (resigned as designated member and appointed as member on 01/04/2019)
Designated Members	S Chellappah (appointed 1 April 2019) D Gordon (appointed 1 April 2019) Sanford C. Bernstein (Autonomous UK) 1 Limited (appointed 1 April 2019)
LLP registered number	OC343985
Registered office	50 Berkeley Street London W1J 8HA
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT
Bankers	HSBC PLC City Commercial Centre 60 Queen Victoria Street London EC4N 4TR

AUTONOMOUS RESEARCH LLP

MEMBERS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

The Members present their annual report together with the audited financial statements of Autonomous Research LLP (the "Partnership") for the period 1 April 2019 to 31 December 2019.

In April 2019, the group headed by AllianceBernstein Holding L.P. ("AB Group") completed the acquisition of Autonomous Research LLP. Further changes are intended within the AB Group, and upon regulatory approval the Partnership expects to take on some of the research and equity trading business of the AB Group.

Partnership

The immediate parent undertaking is Sanford C. Bernstein (Autonomous UK) 1 Limited, a Company incorporated in United Kingdom.

AllianceBernstein L.P. is the parent undertaking of the smallest group of undertakings within which the company and its immediate parent company are included. The consolidated financial statements of AllianceBernstein L.P. can be obtained from 1345 Avenue of the Americas, New York, New York 10105, United States of America.

The ultimate holding company and controlling party of AllianceBernstein L.P. is Equitable Holdings, Inc., a financial services company based in New York, N.Y., USA.

Principal activities

The principal activity of the Partnership is to provide independent research to professional and institutional investors. There is also an agency trading function to execute credit instruments.

The development of the Partnership's business is reflected in the attached statement of comprehensive income. The Designated Members consider the result for the period to be satisfactory and anticipate growth in the coming year.

Autonomous Research LLP is authorised and regulated by the Financial Conduct Authority and a member of the London Stock Exchange.

Designated Members

S Chellappah, D Gordon and Sanford C. Bernstein (Autonomous UK) 1 Limited were Designated Members of the Partnership throughout the period. From the 1 April 2019 Stuart Graham and Edward Allchin became Members of the Partnership and Jonathan Firkins resigned as a Designated Member. S Chellappah, D Gordon and Sanford C. Bernstein (Autonomous UK) 1 Limited became Designated Members on 1 April 2019.

Results and distributions

During the period the Partnership achieved an operating profit of £12,922,448 (31 March 2019: £12,413,912). The Partnership's statement of financial position as detailed on pages 9 and 10 shows a satisfactory position; Members' total interests as at 31 December 2019 amounted to £9,005,215 (31 March 2019: £9,115,277).

AUTONOMOUS RESEARCH LLP

MEMBERS' REPORT (continued) FOR THE PERIOD ENDED 31 DECEMBER 2019

Policy for Members' drawings, profit allocation, subscriptions and repayment of Members' capital

Following the acquisition of the Partnership by the AB Group three classes of members were created, A,B and C. Class A is represented by the corporate member which holds the entire capital interest in the partnership, Class B by the former members, and Class C by new AB Group members. Class A members have the right to receive notice of, attend and vote at meetings of members, the right to receive interest on its Capital Contribution, and the right to the residual value of the Partnership on a winding up. All three classes of members are entitled to a share (as determined by the Remuneration Committee) of profits, the right to indemnification and certain information rights as detailed in the Partnership agreement.

Members are required to make their own provision for pension and other benefits. Profits are allocated and divided between members after finalization of the financial statements. Members draw a proportion of their profit shares monthly during the period in which it is made, with the balance of profits being distributed after the period end, subject to the cash requirements of the business.

Donations

During the period the Partnership made charitable donations of £3,500 (31 March 2019: £153,917) to registered UK charities.

Pillar 3 disclosure

The Partnership's Pillar 3 disclosure as required by the Capital Requirements Directive can be obtained from the Partnership's website (<https://www.autonomous.com/legal>).

Going concern

The Members have reviewed the Partnership's funding arrangements and assessed the level of financial support from its parent. On the basis of their assessment of the Partnership's financial position and performance, and the continued availability of parental support, the Members have a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the Members continue to adopt the going concern basis of accounting in preparing the annual financial statements.

COVID-19

Beginning in January 2020, global financial markets have and may continue to experience significant volatility resulting from the spread of a novel corona virus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, supply chain disruptions, exchange rate fluctuations, lower consumer demand and general market uncertainty. The impact of COVID-19 on financial markets has led to a significant drop in global equity prices and significantly increased market volatility, leading to increased trading volumes. Through to April 2020, there has been no detrimental impact on the Partnership's operations and performance. The Partnership is continuously monitoring the impact of the COVID-19 pandemic on both its operational resilience and expected future profitability and cashflows.

AUTONOMOUS RESEARCH LLP

**MEMBERS' REPORT (continued)
FOR THE PERIOD ENDED 31 DECEMBER 2019**

Disclosure of information to auditors

Each of the persons who are Designated Members at the time when this Members' Report is approved has confirmed that:

- so far as each Designated Member is aware, there is no relevant audit information of which the Partnership's auditors are unaware, and
- each Designated Member has taken all the steps that ought to have been taken as a Designated Member, including making appropriate enquires of fellow Designated Members and of the Partnership's auditors for that purpose, in order to be aware of any relevant audit information needed by the Partnership's auditors in connection with preparing their report and to establish that the Partnership's auditors are aware of that information.

Disclose change of auditor

On 29 October 2019, BDO LLP resigned as auditor. The members subsequently resolved to appoint PricewaterhouseCoopers LLP as auditor.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. The Designated Members will propose a motion re-appointing the auditors at a meeting of the Members.



.....
S Chellappah
Designated Member

Date: 29 April 2020



.....
D Gordon
Designated Member

Date: 29 April 2020

AUTONOMOUS RESEARCH LLP

MEMBERS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2019

The Members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied 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 Partnership and of the profit or loss of the Partnership for that period.

In preparing these financial statements, the Members are required to:

- select suitable accounting policies for the Partnership's financial statements and then apply them consistently;
- make judgments 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 entity will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and to enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUTONOMOUS RESEARCH LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP

Independent auditors' report to the members of Autonomous Research LLP

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Autonomous Research LLP's financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2019 and of its profit for the 9 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- 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.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income and statement of changes in members' interest for the 9 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained 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, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the limited liability partnership's ability to continue as a going concern.

AUTONOMOUS RESEARCH LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP (CONTINUED)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Members' Responsibilities Statement, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of this report

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with 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 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

AUTONOMOUS RESEARCH LLP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP
(CONTINUED)**

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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 financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



William Elliott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

1 May 2020

AUTONOMOUS RESEARCH LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2019

	Note	9 months ended 31 December 2019 £	Year ended 31 March 2019 £
Revenue	4	19,864,039	30,099,320
Administrative expenses		(6,941,591)	(17,685,408)
Operating profit	5	12,922,448	12,413,912
Interest payable	6	(3,468)	(26,842)
Profit		12,918,980	12,387,070
Profit for the period before members' remuneration and profit shares available for discretionary division among members		12,918,980	12,387,070

There was no other comprehensive income for the nine months ended for 31 December 2019 (year ended 31 March 2019: £ nil).

Further comments on the statement of comprehensive income line items are presented in the notes to the financial statements, which form an integral part of these financial statements.

The notes on pages 13 to 25 form part of these financial statements.

AUTONOMOUS RESEARCH LLP
REGISTERED NUMBER:OC343985

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note		As at 31 December 2019 £	As at 31 March 2019 £
Fixed assets				
Tangible assets	11		-	35,150
			-	35,150
Current assets				
Debtors: amounts falling due within one year	12	21,323,369	21,699,069	
Cash at bank		5,624,893	5,922,777	
		26,948,262	27,621,846	
Creditors: amounts falling due within one year	13	(4,659,941)	(4,867,395)	
Net current assets			22,288,321	22,754,451
Total assets less current liabilities			22,288,321	22,789,601
Net assets			22,288,321	22,789,601


AUTONOMOUS RESEARCH LLP
REGISTERED NUMBER: OC343985

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

	Note	As at 31 December 2019 £	As at 31 March 2019 £
Represented by:			
Loans and other debts due to members within one year			
Other amounts	15	-	1,007,847
		-	1,007,847
Members' other interests			
Members' capital classified as equity	9,369,340	9,369,340	
Other reserves classified as equity	12,918,981	12,412,414	
	22,288,321		21,781,754
	22,288,321		22,789,601
Total members' interests			
Amounts due from Members (included in debtors)	12	(13,283,106)	(13,674,324)
Loans and other debts due to Members	15	-	1,007,847
Members' other interests		22,288,321	21,781,754
		9,005,215	9,115,277

Further comments on the statement of financial position line items are presented in the notes to the financial statements, which form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Members and were signed on their behalf by:



.....
S Chellappah
Designated Member

Date: 29 April 2020



.....
D Gordon
Designated Member

Date: 29 April 2020

AUTONOMOUS RESEARCH LLP

**STATEMENT OF CHANGE IN MEMBERS' INTEREST
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	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 £	Other amounts £	Total £
Amounts due from Members				(13,670,514)	
Balance at 1 April 2018	8,184,797	16,993,299	25,178,096	(13,670,514)	11,507,582
Profit for the year available for discretionary division among Members	-	12,387,070	12,387,070	-	12,387,070
Members' interests after profit for the period	8,184,797	29,380,369	37,565,166	(13,670,514)	23,894,652
Other division of profits	-	(16,967,955)	(16,967,955)	16,967,955	-
Amounts introduced by Members (restated)	1,185,269	-	1,185,269	(1,184,994)	275
Repayment of capital	(726)	-	(726)	-	(726)
Drawings	-	-	-	(15,078,227)	(15,078,227)
Repayment of debt	-	-	-	38,834	38,834
Other movements	-	-	-	260,469	260,469
Amounts due to Members				1,007,847	
Amounts due from Members				(13,674,324)	
Balance at 31 March 2019	9,369,340	12,412,414	21,781,754	(12,666,477)	9,115,277
Profit for the year available for discretionary division among Members	-	12,918,980	12,918,980	-	12,918,980
Members' interests after profit for the period	9,369,340	25,331,394	34,700,734	(12,666,477)	22,034,257
Other division of profits	-	(12,412,413)	(12,412,413)	12,412,413	-
Drawings	-	-	-	(13,029,042)	(13,029,042)
Amounts due from Members				(13,283,106)	
Balance at 31 December 2019	9,369,340	12,918,981	22,288,321	(13,283,106)	9,005,215

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

1. General information

Autonomous Research LLP is a Limited Liability Partnership and is domiciled in England and Wales. The address of its registered office is 50 Berkeley Street, London, W1J 8SB.

The Partnership provides independent research to professional and institutional investors. There is also an agency trading function to execute credit instruments.

2. Statement of Compliance

The individual financial statements of Autonomous Research LLP have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and applicable law, including the Companies Act 2006).

These financial statements comply with the Statement of Recommended Practice Accounting by Limited Liability Partnerships effective for periods commencing on or after 1 January 2019.

3. Principal accounting policies

3.1 Basis of preparation of financial statements

These financial statements are prepared on the going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 102 under the historical cost convention as modified for certain financial assets and financial liabilities measured at fair value through profit or loss. The principal accounting policies, which have been applied are set out below.

The Members have reviewed the Partnership's funding arrangements and assessed the level of financial support from its parent. On the basis of their assessment of the Partnership's financial position and performance, and the continued availability of parental support, the Partnership's directors have a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the Members continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3.2 Exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. The Partnership has taken advantage of the following exemptions:

The Partnership is exempt from preparing a cash flow statement under FRS 102, paragraph 1.12, as it is a wholly owned subsidiary of a company which prepares consolidated financial statements which are publicly available. The consolidated financial statements of AllianceBernstein L.P., within which this Partnership is included, can be obtained from 1345 Avenue of the Americas, New York, New York 10105, United States of America.

The Partnership is exempt under FRS 102, paragraph 33, from the requirements concerning wholly owned group related party transaction disclosures.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

3. Principal accounting policies (continued)

3.3 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Partnership makes estimates and assumptions concerning the future. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3.4 Property, plant and equipment and depreciation

Substantially all fixed assets in use by the Partnership are owned by AllianceBernstein Services Limited and a charge for the depreciation of those assets is charged by AllianceBernstein Services Limited to administrative expenses in the statement of income.

3.5 Functional currencies

The functional and presentation currency of the Partnership is pound sterling (GBP, £). Transactions in foreign currencies are recorded using the rate of exchange ruling during the month of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the statement of income.

3.6 Transaction date accounting

All financial transactions are recorded at the transaction date and transaction date accounting is used for financial reporting purposes.

3.7 Revenue recognition

Revenue from trade commissions related to broking activities is recognised when the trade is executed on trade date.

Revenue from a contract to provide research services is recognised in the period in which the services are provided in accordance with the contractually defined terms of payment when all of the following conditions are satisfied:

- the amount of revenue can be reliably measured;
- it is probable that the Partnership will receive the consideration due under the contract; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably;

3.8 Taxation

No taxation is reflected in the accounts as tax is borne by the individual Members in a personal capacity on their attributable profit shares and not the Partnership.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

3. Principal accounting policies (continued)

3.9 Finance income and costs

Finance income and costs are recognised using the effective interest rate method.

3.10 Employee benefits - pension costs

During the period, the Partnership continued to contribute to a Group Personal Pension plan (which is a defined contribution scheme) paying contributions for its employees. Pension contributions are based on a percentage of employee salary. The amount charged against the statement of Income and Retained Earnings represents the contributions payable to the plan in respect of the accounting period. Once contributions have been made the Partnership has no further payment obligation.

The assets of the plan are held separately from those of the Partnership in independently administered funds. There were no outstanding or prepaid contributions at the period end (2018:£nil).

3.11 Employee benefits – short term benefits

Short term benefits are recognised as an expense in the period in which the service is received.

3.12 Employee benefits – deferred compensation

The Partnership participates in a group wide deferred incentive compensation scheme for selected employees of the Partnership. Awards are granted to certain employees under this scheme in the form of AllianceBernstein Holding Units which have the option to be received in cash ('deferred cash'). The awards vest over four years. The cost of employee services received in respect of the stock awards or deferred cash is fully recognised in the income statement in the year that the award is granted as the directors do not believe there are substantive service conditions.

3.13 Cash at bank

Cash represents deposits held at call with banks. Bank overdrafts are shown within creditors: amounts falling due within one year.

3.14 Netting

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

3.15 Financial instruments

The Partnership is a financial institution for the purposes of FRS 102 and adopts Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial instruments are recognised when the Partnership becomes a party to the contractual provision of the instruments.

(i) Financial assets

Basic financial assets that are debt instruments, including trade receivables, amounts owed by group undertakings, stock borrowing collateral and margin collateral are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest rate method.

At the end of each reporting period these assets are assessed for objective evidence of impairment.

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

3. Principal accounting policies (continued)

3.15 Financial instruments (continued)

If an asset is impaired the impairment loss is the difference between the carrying amount and the present value. The impairment loss is recognised in the income statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

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

(ii) Financial liabilities

Basic financial liabilities at amortised cost, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price. These are subsequently carried at amortised cost, using the effective interest rate method and the interest payable will be recognised in the income statement.

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

4. Particulars of income

An analysis of turnover by class of business is as follows:

	9 months ended 2019 £	Year ended 2019 £
Independent research sales	19,171,457	22,326,933
Credit instruments trading commission	692,582	2,057,907
Equity trading commission	-	5,714,480
	<u>19,864,039</u>	<u>30,099,320</u>

5. Operating profit

Included in administrative expenses:

	9 months ended 31 December 2019 £	Year ended 31 March 2019 £
Net foreign exchange (losses)	<u>(552,479)</u>	<u>(257,252)</u>

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

6. Interest payable and similar expenses

	9 months ended 31 December 2019 £	<i>Year ended 31 March 2019 £</i>
Bank interest payable	-	17,528
Other loan interest payable	3,468	9,314
	<u>3,468</u>	<u>26,842</u>

7. Auditors' remuneration

	9 months ended 31 December 2019 £	<i>Year ended 31 March 2019 £</i>
Fees payable to the Partnership's auditor and its associates in respect of:		
Auditors' remuneration		
Fees payable to the Partnership's auditor and its associates for the audit of the Partnership's annual accounts	28,003	25,000
Fees payable to the Partnership's auditor and its associates for other services:		
CASS audit - non audit assurance services	16,132	-
	<u>44,135</u>	<u>25,000</u>

On 29 October 2019, BDO LLP resigned as auditor. The members subsequently resolved to appoint PricewaterhouseCoopers LLP as auditor.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

8. Information in relation to Members

	9 months ended 31 December 2019 Number	<i>Year ended 31 March 2019 Number</i>
The average number of members during the period was	18	37
	9 months ended 31 December 2019 £	<i>Year ended 31 March 2019 £</i>
The amount of profit attributable to the Member with the largest entitlement was	1,436,097	2,061,899

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

9. Employees

Staff costs, including Members' remuneration, were as follows:

	9 months ended 31 December 2019 £	<i>Year ended 31 March 2019 £</i>
Wages and salaries	1,589,671	<i>3,652,350</i>
Social security costs	300,371	<i>433,947</i>
Cost of defined contribution scheme	89,438	<i>237,276</i>
	<u>1,979,480</u>	<i><u>4,323,573</u></i>

The average monthly number of persons (including Members with contracts of employment) employed during the period was as follows:

	9 months ended 31 December 2019 No.	<i>Year ended 31 March 2019 No.</i>
Research:	12	<i>9</i>
Sales - trading:	6	<i>6</i>
Middle / back office:	3	<i>14</i>
	<u>21</u>	<i><u>29</u></i>

There are no individuals other than the Members who are considered to be key management personnel. Members are remunerated from the profits of the Partnership and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between Members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the period in which it is made, with the balance of profits being distributed after the year end, subject to the cash requirements of the business. This treatment is consistent with prior year.

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NOTES TO THE FINANCIAL STATEMENTS
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10. Intangible assets

	Intangible assets £
Cost	
At 1 April 2019	24,267
Disposals	(24,267)
At 31 December 2019	-
Accumulated depreciation	
At 1 April 2019	24,267
On disposals	(24,267)
At 31 December 2019	-
Net book value	
At 31 December 2019	-
At 31 March 2019	-

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11. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 April 2019	179,516	416,263	595,779
Disposals	(179,516)	(416,263)	(595,779)
At 31 December 2019	-	-	-
Accumulated depreciation			
At 1 April 2019	155,513	405,116	560,629
Disposals	(155,513)	(405,116)	(560,629)
At 31 December 2019	-	-	-
Net book value			
At 31 December 2019	-	-	-
At 31 March 2019	24,003	11,147	35,150

12. Trade and other receivables

	31 December 2019 £	31 March 2019 £
Trade receivables	3,964,059	3,558,900
Amounts owed by group undertakings (non-trading)	446,206	-
Other debtors	4,014	2,265,410
Prepayments and accrued income	3,625,984	2,200,435
Amounts due from Members	13,283,106	13,674,324
	21,323,369	21,699,069

Trade receivables and other receivables are all due within one year. Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Included within other debtors is a collateral deposit of £nil (31 March 2019: £2,000,000) with BNP Paribas Securities Services Ltd and £nil (31 March 2019: £191,813) with BNP Paribas Securities Corp.

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13. Creditors: Amounts falling due within one year

	31 December 2019 £	31 March 2019 £
Trade payables	2,358	20,918
Amounts owed to group undertakings (non trading)	3,213,606	-
Other taxation and social security	983,480	726,167
Other creditors	31,950	651,530
Accruals and deferred income	428,547	3,468,780
	<u>4,659,941</u>	<u>4,867,395</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

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14. Financial instruments

The Partnership has the following Financial instruments:

	31 December 2019 £	31 March 2019 £
Financial assets that are debt instruments measured at amortised cost		
Cash at bank	5,624,893	5,922,777
Trade receivables	3,964,059	3,558,900
Amounts owed by group undertakings (non trading)	446,206	-
Other debtors	4,014	2,265,410
	<u>10,039,172</u>	<u>11,747,087</u>
Financial liabilities measured at amortised cost		
Trade payables	2,358	20,918
Amounts owed to group undertakings (non trading)	3,213,606	-
Other creditors	31,950	651,530
	<u>3,247,914</u>	<u>672,448</u>

Credit risk

The Partnership places great weight on the effective management of the credit quality of financial assets. All counterparties are reviewed by the credit committee and nearly all are regulated financial institutions. The Partnership does not consider any financial assets as impaired. No assets are considered past due.

Liquidity risk

All amounts are due on demand.

Market risk

The effect of a reasonable range of changes in market risk inputs (including interest rate, currency and price risks) is not material.

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15. Loans and other debts due to Members

	31 December 2019 £	31 March 2019 £
Amounts due to Members	-	(1,007,847)
	<u>-</u>	<u>(1,007,847)</u>

Loans and other debts due to members rank behind amounts due to other creditors who are unsecured in the event of a winding up..

16. Financial Risks

Capital risk management

The Partnership manages its capital resources with reference to regulatory capital requirements (Pillar 1 under the Capital Requirements Regulation and Directive ("CRD IV"), plus Pillar 2/Individual Capital Guidance ("ICG") set by the Financial Conduct Authority (FCA) and relevant CRD IV buffers). The Partnership manages its regulatory capital through an Internal Capital Adequacy Assessment Process (known as ICAAP) in accordance with guidelines and rules implemented by the FCA. Under this process the Partnership is satisfied that there is either sufficient capital to absorb potential losses or that there are mitigating controls in place which make the likelihood of the risk occurring remote.

Both the minimum regulatory capital requirement and the Pillar 2 assessment are compared with total regulatory capital on a daily basis and monitored by the Finance department.

On 31 December 2019, the Partnership had £9,005,215 (31 March 2019: £9,115,277) of regulatory capital resources, which is in excess of both its regulatory capital requirement (Pillar 1) and the internally measured capital requirement (Pillar 2).

17. Related party transactions

The Partnership has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with AB Group companies stated in Note 3.2.

18. Subsequent events

Beginning in January 2020, global financial markets have and may continue to experience significant volatility resulting from the spread of a novel corona virus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, supply chain disruptions, exchange rate fluctuations, lower consumer demand and general market uncertainty. The impact of COVID-19 on financial markets has led to a significant drop in global equity prices and significantly increased market volatility, leading to increased trading volumes. Through to April 2020, there has been no detrimental impact on the Partnership's operations and performance. The Partnership is continuously monitoring the impact of the COVID-19 pandemic on both its operational resilience and expected future profitability and cashflows.

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19. Ultimate controlling party

In April 2019 the Partnership was acquired by the group headed by AllianceBernstein Holding L.P. The immediate parent undertaking and Corporate member of the Partnership became Sanford C. Bernstein (Autonomous UK) 1 Ltd. As the Corporate member this company owns the capital of the Partnership and is entitled to a share of the profits and losses.

AllianceBernstein L.P. is the parent undertaking of the smallest group of undertakings within which the Partnership and its immediate parent company are included. The consolidated financial statements of AllianceBernstein L.P. can be obtained from 1345 Avenue of the Americas, New York, New York 10105, United States of America.

The ultimate holding company and controlling party of AllianceBernstein L.P. is Equitable Holdings, Inc., a financial services company based in New York, N.Y., USA.