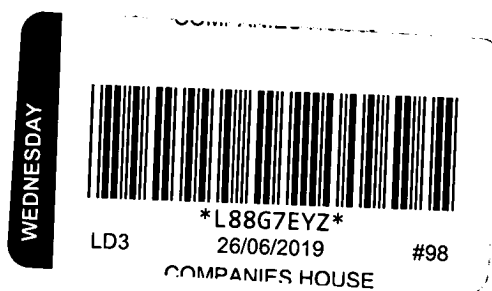

AUTONOMOUS RESEARCH LLP

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



AUTONOMOUS RESEARCH LLP

INFORMATION

Designated Members	Stuart Graham, (resigned as designated member and appointed to member on 01/04/2019) Edward Allchin, (resigned as designated member and appointed to member on 01/04/2019) Jonathan Firkins (resigned 1 April 2019) 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	BDO 150 Aldersgate Street London EC1A 4AB
Bankers	HSBC PLC City Commercial Centre 60 Queen Victoria Street London EC4N 4TR
Solicitors	Dentons UK and Middle East LLP One Fleet Place London EC4M 7WS

AUTONOMOUS RESEARCH LLP

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The following pages do not form part of the statutory financial statements:	
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Remuneration Code Disclosures	30 - 31

AUTONOMOUS RESEARCH LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Members present their annual report together with the audited financial statements of Autonomous Research LLP (the "Partnership") for the ended 31 March 2019.

Principal activities

The principal activities the Partnership is to provide independent research to professional and institutional investors. There is also an agency trading function to execute both European equity and 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 year to be satisfactory and anticipate continued strong growth.

Autonomous Research LLP is authorised and regulated by the Financial Conduct Authority.

On the 1 April 2019, the Partnership became part of the AllianceBernstein Group.

Designated Members

Stuart Graham, Edward Allchin and Jonathan Firkins were Designated Members of the Partnership throughout the year. 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 have become Designated Members on 1 April 2019.

Results and distributions

During the year the Partnership achieved an operating profit of £12,413,912 (2018: £15,475,666). The Partnership's statement of financial position as detailed on pages 7 and 8 shows a satisfactory position; Members' total interests as at 31 March 2019 amounted to £9,115,277 (2018: £11,507,582).

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

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 year in which it is made, with the balance of profits being distributed after the year end, subject to the cash requirements of the business.

Donations

During the year the Partnership made charitable donations of £153,917 (2018: £301,262) to registered UK charities.

AUTONOMOUS RESEARCH LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

Members' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 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 Partnership 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 Companies Act 2006 (as applied by 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.

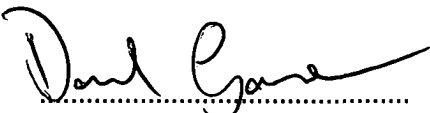
Disclosure of information to auditors

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.


.....
S Chellappah
Designated Member

Date: 24/06/19


.....
D Gordon
Designated Member

Date: 24/06/19

AUTONOMOUS RESEARCH LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP

Opinion

We have audited the financial statements of Autonomous Research LLP ("the Limited Liability Partnership") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Reconciliation of Members' Interests, 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 Limited Liability Partnership's affairs as at 31 March 2019 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the 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

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

- the Members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

AUTONOMOUS RESEARCH LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion in the light of the knowledge and understanding of the LLP and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' report.

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

Responsibilities of Members

As explained more fully in the 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 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 at the Financial Reporting Council's website at:

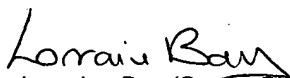
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AUTONOMOUS RESEARCH LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTONOMOUS RESEARCH LLP

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 by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.


Lorraine Bay (Senior Statutory Auditor)
for and on behalf of BDO, statutory auditor
150 Aldersgate Street
London
EC1A 4AB
Date: 26 June 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AUTONOMOUS RESEARCH LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover	4	30,099,320	30,001,938
Administrative expenses		(17,685,408)	(14,526,272)
Operating profit	5	12,413,912	15,475,666
Interest receivable and similar income	8	-	721
Interest payable and expenses	9	(26,842)	(39,441)
Profit before tax		12,387,070	15,436,946
Profit for the year before members' remuneration and profit shares available for discretionary division among members		12,387,070	15,436,946

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 13 to 27 form part of these financial statements.

AUTONOMOUS RESEARCH LLP
REGISTERED NUMBER:OC343985

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	35,150	95,426
		<u>35,150</u>	<u>95,426</u>
Current assets			
Debtors: amounts falling due within one year	12	21,699,069	20,172,350
Cash at bank and in hand	13	5,922,777	9,076,700
		<u>27,621,846</u>	<u>29,249,050</u>
Creditors: amounts falling due within one year	14	(4,867,395)	(4,011,986)
Net current assets		<u>22,754,451</u>	<u>25,237,064</u>
Total assets less current liabilities		<u>22,789,601</u>	<u>25,332,490</u>
Creditors: amounts falling due after more than one year	15	-	(154,394)
	16	<u>22,789,601</u>	<u>25,178,096</u>
Net assets		<u><u>22,789,601</u></u>	<u><u>25,178,096</u></u>

^

AUTONOMOUS RESEARCH LLP
REGISTERED NUMBER: OC343985

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

	Note	2019 £	Restated 2018 £
Represented by:			
Loans and other debts due to members within one year			
Other amounts	18	1,007,847	-
		<u>1,007,847</u>	<u>-</u>
Members' other interests			
Members' capital classified as equity	9,369,340	8,184,797	
Other reserves classified as equity	12,412,414	16,993,299	
		21,781,754	25,178,096
		<u>22,789,601</u>	<u>25,178,096</u>
Total members' interests			
Amounts due from Members (included in debtors)	12	(13,674,324)	(13,670,514)
Loans and other debts due to Members	18	1,007,847	-
Members' other interests		21,781,754	25,178,096
		<u>9,115,277</u>	<u>11,507,582</u>

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


.....
S Chellappah

Designated Member

Date: 24/06/19


.....

D Gordon
Designated Member

Date: 24/06/19

AUTONOMOUS RESEARCH LLP
REGISTERED NUMBER: OC343985

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2019

	EQUITY			DEBT	Total
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors	members' interests
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total
	£	£	£	£	£
Amounts due to Members				5,823,444	
Amounts due from Members				(14,781,532)	
Balance at 1 April 2017	2,498,189	21,800,690	24,298,879	(8,958,088)	15,340,791
Profit for the year available for discretionary division among Members	-	15,436,946	15,436,946	-	15,436,946
Members' interests after profit for the year	2,498,189	37,237,636	39,735,825	(8,958,088)	30,777,737
Other division of profits	-	(20,244,337)	(20,244,337)	20,244,337	-
Amounts introduced by Members (restated)	5,686,629	-	5,686,629	(5,686,276)	353
Repayment of capital	(21)	-	(21)	-	(21)
Drawings	-	-	-	(19,294,477)	(19,294,477)
Repayment of debt	-	-	-	43,436	43,436
Tax payments	-	-	-	(19,446)	(19,446)
Amounts due from Members				(13,670,514)	
Balance at 31 March 2018 (restated)	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 year	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	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
Tax payments	-	-	-	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

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

**RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	12,387,070	15,436,946
Adjustments for:		
Depreciation of tangible assets	24,576	105,737
Loss on disposal of tangible assets	2,527	-
Interest paid	26,842	39,441
Interest received	-	(721)
(Increase)/decrease in debtors	(1,522,908)	863,250
Increase in creditors	1,394,023	837,801
Net cash generated from operating activities before transactions with members	12,312,130	17,282,454
Cash flows from investing activities		
Purchase of tangible fixed assets	(6,827)	(2,420)
Sale of tangible fixed assets	40,000	1,306
Interest received	-	721
Net cash from investing activities	33,173	(393)
Cash flows from financing activities		
Repayment of loans	(693,008)	(503,831)
Interest paid	(26,842)	(39,441)
Members' capital contributed	274	353
Members' capital repaid	(726)	(21)
Distribution paid to members	(15,078,227)	(19,294,477)
Repayment of loans to Members	38,834	43,436
Loans to Members	260,469	(19,446)
Net cash used in financing activities	(15,499,226)	(19,813,427)

AUTONOMOUS RESEARCH LLP

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Net (decrease) in cash and cash equivalents	(3,153,923)	(2,531,366)
Cash and cash equivalents at beginning of year	9,076,700	11,608,066
Cash and cash equivalents at the end of year	5,922,777	9,076,700
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,922,777	9,076,700
	5,922,777	9,076,700

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Disclosure of Partnership information:

Name: Autonomous Research LLP

Period covering: 1 April 2018 to 31 March 2019

Financial statements preparation: Individual

Presentation and functional currency: GBP (£)

Legal form: Limited Liability Partnership

Country of incorporation: United Kingdom

Registered address: 50 Berkeley Street, London, W1J 8HA

Principal activities: providing independent research to professional and institutional investors. There is also an agency trading function to execute both European equity and credit instruments.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Partnership's accounting policies (see note 3).

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.2 Foreign currency translation

Functional and presentation currency

The Partnership's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.3 Operating leases: the Partnership as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.4 Financial instruments

Financial assets

The Partnership's financial assets comprise basic financial instruments, being trade and other receivables and cash and bank balances.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no more than 24 hours. Cash equivalents are highly liquid investments that mature no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Trade and other receivables are measured at transaction price less any impairment. Any impairment loss is recognised in the income statement.

The impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Partnership would receive for the asset if it were to be sold at the reporting date.

Financial assets are derecognised when contractual rights to the cash flows from the financial asset expire or are settled, or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities

The Partnership's financial liabilities comprise basic financial liabilities, including trade and other payables, amounts due to fellow group companies, accruals and a bank loan. These are initially recognised at transaction price and are measured subsequently at amortised cost.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.7 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 YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Partnership operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Partnership pays fixed contributions into a separate entity. Once the contributions have been paid the Partnership has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Partnership in independently administered funds.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Partnership adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Partnership. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold Improvements	- 5 years
Fixtures and fittings	- 3 years
Office equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.11 Restatement

During the year, the LLP recognised that Autonomous Research Ltd, a member of the LLP, held £5,686,276 as an amount due to members which should of been capitalised. The figures for the prior year have been restated to correct this. Amounts due to members has been restated from £5,686,276 to £Nil.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year.

4. Turnover

Turnover, stated net of value added tax, represents commission receivable for services to professional and institutional investors. 69% (2018: 54%) of turnover relates to revenues received under Commission Sharing Arrangements, research payment accounts (RPA) and hard dollar agreements, which are recognised in the period to which the service related, when confirmed by the earlier of the payer or executing broker. 19% (2018: 35%) of turnover is direct equities trading commission, which is recognised on the confirmation of each trade with the client, being the trade / contract date. 7% (2018: 9%) of turnover is direct credit trading commission, which again is recognised on the confirmation of each trade with the client, being the trade / contract date. 5% (2018: 2%) of turnover is related to subscriptions fees.

	2019 £	2018 £
United Kingdom	14,522,714	14,700,950
Rest of Europe	4,892,468	9,900,640
Rest of the World	10,684,138	5,400,348
	<u>30,099,320</u>	<u>30,001,938</u>

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

5. Operating profit

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	24,576	105,737
Exchange differences	(257,252)	409,734
Fees payable to the Partnership's auditor and its associates for the audit of the LLP's annual financial statements	25,000	25,000
Operating lease rentals - buildings and service charge	213,834	433,970
Bloomberg and other data charges	1,202,010	1,181,027

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Employees

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

	2019	2018
	£	£
Wages and salaries	3,652,350	4,708,341
Social security costs	433,947	573,862
Cost of defined contribution scheme	237,276	264,685
	4,323,573	5,546,888

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

	2019	2018
	No.	No.
Research:	9	12
Sales - trading:	6	7
Middle / back office:	14	15
	29	34

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 year 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.

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Information in relation to Members

	2019 Number	2018 Number
The average number of members during the year was	<u>37</u>	<u>35</u>
	2018 £	2018 £
The amount of profit attributable to the Member with the largest entitlement was	<u>2,061,899</u>	<u>2,769,311</u>

8. Interest receivable

	2019 £	2018 £
Other interest receivable	<u>-</u>	<u>721</u>
	<u>-</u>	<u>721</u>

9. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	17,528	34,783
Other loan interest payable	9,314	4,658
	<u>26,842</u>	<u>39,441</u>

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Intangible assets

	Intangible assets £
Cost	
At 1 April 2018	24,267
At 31 March 2019	24,267
Amortisation	
At 1 April 2018	24,267
At 31 March 2019	24,267
Net book value	
At 31 March 2019	-
At 31 March 2018	-

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2018	382,854	222,043	409,436	1,014,333
Additions	-	-	6,827	6,827
Disposals	(382,854)	(42,527)	-	(425,381)
At 31 March 2019	-	179,516	416,263	595,779
Depreciation				
At 1 April 2018	376,472	152,925	389,510	918,907
Charge for the year on owned assets	6,382	2,588	15,606	24,576
Disposals	(382,854)	-	-	(382,854)
At 31 March 2019	-	155,513	405,116	560,629
Net book value				
At 31 March 2019	-	24,003	11,147	35,150
At 31 March 2018	6,382	69,118	19,926	95,426

The assets of the Partnership had a fixed and floating charge, as agreed per the bank loan agreement. This included present and future freehold and leasehold property.

12. Debtors

	2019 £	2018 £
Trade debtors	3,558,900	3,940,563
Other debtors	2,265,410	667,644
Prepayments and accrued income	2,200,435	1,893,629
Amounts due from Members	13,674,324	13,670,514
	21,699,069	20,172,350

Included within other debtors is a collateral deposit of £2,000,000 (2018: £390,000) with BNP Paribas Securities Services Ltd and £191,813 (2018: £178,151) with BNP Paribas Securities Corp.

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

13. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank	5,922,777	9,076,700
	<u>5,922,777</u>	<u>9,076,700</u>

14. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Bank loans	-	538,614
Trade creditors	20,918	469,996
Other taxation and social security	726,167	422,153
Other creditors	651,530	393,118
Accruals and deferred income	3,468,780	2,188,105
	<u>4,867,395</u>	<u>4,011,986</u>

15. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loans	-	154,394
	<u>-</u>	<u>154,394</u>

The bank loans were secured by three Members of the Partnership and the bank held both a fixed and floating charge over the assets of the Partnership including present and future freehold and leasehold property, book and other debts, chattels and goodwill.

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans	-	538,614
	<u>-</u>	<u>538,614</u>
Amounts falling due 2-5 years		
Bank loans	-	154,394
	<u>-</u>	<u>154,394</u>
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>693,008</u>

17. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at amortised cost	<u>13,371,199</u>	<u>15,104,464</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,518,864)</u>	<u>(3,204,099)</u>

Financial assets measured at amortised cost comprise of the bank accounts, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, bank loans and accruals.

AUTONOMOUS RESEARCH LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Loans and other debts due to Members

	2019	2018
	£	£
Amounts due to Members	(1,007,847)	-
	(1,007,847)	-

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

19. Pension commitments

The Partnership operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Partnership in independently administered funds. The pension cost charge represents contributions payable by the Partnership to the fund and amounted to £237,276 (2018: £264,685). Contributions totalling £19,308 (2018: £58,294) were payable to the funds at the statement of financial position date and are included in other creditors.

20. Other financial commitments and contingencies

At 31 March 2019 the Partnership had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	801,967	1,190,716
Later than 1 year and not later than 5 years	112,238	1,725,571
	914,205	2,916,287

The Partnership left the premises in April 2019 and transferred the lease to a third party. The premium was therefore reversed in 2019 and no rental commitment was included in 2019.

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

21. Related party transactions

Autonomous Research Ltd

This entity is a company incorporated in the UK and is a Member of Autonomous Research LLP.

The Partnership made payments totalling £124,111 (2018: £137,815) on behalf of this entity throughout the year. No balance was owed by this entity to or from the Partnership as at 31 March 2019 (2018: £Nil).

Autonomous Research Charitable Trust

This entity is a charitable trust company incorporated in the UK.

During the year, the Partnership donated £153,917 (2018: £301,262) to the company.

Autonomous Research Investment Ltd

This entity is a company incorporated in the UK and is a Member of Autonomous Research LLP.

The Partnership made payments totalling £690 (2018: £648) on behalf of this entity. No balance was owed by this entity to or from the Partnership as at 31 March 2019 (2018: £Nil).

Autonomous Research LP

This entity is a company incorporated in the US and is a related party due to common control.

During the year the Partnership received £3,926,240 (2018: £2,453,041) on behalf of Autonomous Research LP for sales made by Autonomous Research LP. The Partnership raised invoices of £1,937,314 (2018: £3,814,882) for sales made by the Partnership that were received by Autonomous

Research LP. The Partnership were charged expenses totalling £240,451 (2018: £175,798). During the year the Partnership made payments of £2,139,349 (2018: £1,158,354) to Autonomous Research LP and received payments of £Nil (2018: £738,627) from Autonomous Research LP. As at the statement of financial position date Autonomous Research LP owed the Partnership, £319,801 (2018: £229,773).

Autonomous Research Asia Ltd

This entity is a company incorporated in the Hong Kong and is a related party due to common control. During the year the Partnership received £910,836 (2018: £877,978) on behalf of Autonomous Research Asia Ltd for sales made by Autonomous Research Asia Ltd. The Partnership also recharged expenses totalling £35,898 (2018: £27,726). During the year the Partnership made payments of £870,775 (2018: £889,714) to Autonomous Research Asia Ltd and received payments of £Nil (2018: £Nil) from Autonomous Research Asia Ltd. As at the statement of financial position date the Partnership owes Autonomous Research Asia Ltd £109,244 (2018: £105,051).

Autonomous Research 2 LLP

This entity is a company incorporated in the UK and is a related party due to common control.

The Partnership made payments totalling £690 (2018: £645) on behalf of this entity. No balance was owed by this entity to or from the Partnership as at 31 March 2019 (2018: £Nil).

Related party transactions (continued)

AUTONOMOUS RESEARCH LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Autonomous Research Investments 1 LLP

This entity is a company incorporated in the UK and is a related party due to common control.

The Partnership made payments totalling £690 (2017: £645) on behalf of this entity. No balance was owed by this entity to or from the Partnership as at 31 March 2019 (2018: £Nil).

22. Subsequent event

On the 1 April 2019, the Partnership became part of the AllianceBernstein Group.

23. Ultimate controlling party

The Partnership is wholly owned by its Members.

AUTONOMOUS RESEARCH LLP

UNAUDITED PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 31 MARCH 2019

The Capital Requirements Directive ('the Directive') of the European Union establishes a revised regulatory capital framework across Europe governing the amount and nature of capital credit institutions and investment firms must maintain. In the United Kingdom, the Directive has been implemented by the Financial Conduct Authority ('FCA') in its regulations through the General Prudential Sourcebook ('GENPRU') and the Prudential Sourcebook for Banks, Building Societies and Investment Firms ('BIPRU').

The FCA framework consists of three 'Pillars':

- Pillar 1 sets out the minimum capital amount that meets the firm's credit, market and operational risk;
- Pillar 2 requires the firm to assess whether its Pillar 1 capital is adequate to meet its risks and is subject to annual review by the FCA; and
- Pillar 3 requires disclosure of specified information about the underlying risk management controls and capital position.

The rules in BIPRU 11 set out the provision for Pillar 3 disclosure. This document is designed to meet our Pillar 3 obligations.

We are permitted to omit required disclosures if we believe that the information is immaterial such that omission would be unlikely to change or influence the decision of a reader relying on that information.

In addition, we may omit required disclosures where we believe that the information is regarded as proprietary or confidential. In our view, proprietary information is that which, if it were shared, would undermine our competitive position. Information is considered to be confidential where there are obligations binding us to confidentiality with our customers, suppliers and counterparties.

We have made no omissions on the grounds that it is immaterial, proprietary or confidential.

Scope and application of the requirements

Autonomous Research LLP ("the Partnership") is authorised and regulated by the Financial Conduct Authority and as such is subject to minimum regulatory capital requirements. The Firm is categorised as a BiPRU firm by the FCA for capital purposes. It is an equity research boutique with an agency trading function and as such has no trading book exposures.

The Firm is not a member of a group and so is not required to prepare consolidated reporting for prudential purposes.

Risk management

The Partnership is governed by its Members who determine its business strategy and risk appetite. They are also responsible for establishing and maintaining the Partnership's governance arrangements along with designing and implementing a risk management framework that recognises the risks that the business faces.

AUTONOMOUS RESEARCH LLP

UNAUDITED PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 31 MARCH 2019

The Members also determine how the risk our business faces may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The Members' meet on a regular basis and discuss current projections for profitability, cash flow, regulatory capital management, and business planning and risk management. The Members manage the Partnership's risks through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim to operate a defined and transparent risk management framework. These policies and procedures are updated as required.

The Members have identified that business, operational, market and credit risks are the main areas of risk to which the Firm is exposed. Annually the Members formally review their risks, controls and other risk mitigation arrangements and assess their effectiveness. Where the Members identify material risks they consider the financial impact of these risks as part of our business planning and capital management and conclude whether the amount of regulatory capital is adequate.

Regulatory capital

The Partnership is a Limited Liability Partnership and its capital arrangements are established in its Partnership deed. The main features of the Partnership's capital resources for regulatory purposes are as follows:

Capital item	£'000
Tier 1 capital less innovative tier 1 capital	13,643
Total tier 2, innovative tier 1 and tier 3 capital	-
Deductions from tier 1 and tier 2 capital	-
Total capital resources, net of deductions	13,643

Our Partnership is small with a simple operational infrastructure. Its market risk is limited to foreign exchange risk on its accounts receivable and bank deposits in foreign currency, and credit risk from both commission receivable from clients and bank deposits. The Partnership follows the standardised approach to market risk and the simplified standard approach to credit risk. The Partnership is subject to the Fixed Overhead Requirement and is not required to calculate an operational risk capital charge though it considers this as part of its process to identify the level of risk based capital required.

As discussed above the Partnership is a limited licence firm and as such its capital requirements are the greater of:

- Its base capital requirement of €50,000; or
- The sum of its market and credit risk requirements; or
- Its Fixed Overhead Requirement.

The sum of the firm's market and credit risk requirement currently sits well below its Fixed Overhead Requirement. It is therefore the Partnership's experience that the Fixed Overhead Requirement establishes its capital requirements.

AUTONOMOUS RESEARCH LLP

REMUNERATION CODE DISCLOSURES FOR THE YEAR ENDED 31 MARCH 2019

Remuneration code disclosure

Autonomous Research LLP ("the Partnership") is authorised and regulated by the Financial Conduct Authority as a BIPRU Firm and so, it is subject to FCA Rules on remuneration. These are contained in the FCA's Remuneration Code located in the SYSC Sourcebook of the FCA's Handbook. The Remuneration Code ("the RemCode") covers an individual's total remuneration, fixed and variable. The Partnership incentivises staff through a combination of the two.

Our policy is designed to ensure that we comply with the RemCode and our compensation arrangements:

1. are consistent with and promotes sound and effective risk management;
2. do not encourage excessive risk taking;
3. include measures to avoid conflicts of interest; and
4. are in line with the Partnership's business strategy, objectives, values and long-term interests.

Proportionality

Enshrined in the European remuneration provisions is the principle of proportionality. The FCA have sought to apply proportionality in the first instance by categorising firms into 3 remuneration levels. The Partnership falls within the FCA's third proportionality level and as such this disclosure is made in line with the requirements for a Level 3 Firm.

Application of the requirements

We are required to disclose certain information on at least an annual basis regarding our Remuneration policy and practices for those staff whose professional activities have a material impact on the risk profile of the partnership. Our disclosure is made in accordance with our size, internal organisation and the nature, scope and complexity of our activities.

1. Summary of information on the decision-making process used for determining the partnership's remuneration policy including use of external benchmarking consultants where relevant.
 - The Partnership's policy has been agreed by the Senior Management in line with the RemCode principles laid down by the FCA.
 - Due to the size, nature and complexity of the Partnership, we are not required to appoint an independent remuneration committee.
 - The Partnership's policy will be reviewed as part of the annual process and procedures, or following a significant change to the business requiring an update to its internal capital adequacy assessment.
 - The Partnership's ability to pay bonus is based on the performance of Partnership overall and derived after commissions and profits have been calculated.

AUTONOMOUS RESEARCH LLP

**REMUNERATION CODE DISCLOSURES
FOR THE YEAR ENDED 31 MARCH 2019**

2. Summary of how the firm links between pay and performance.

- Individuals are rewarded based on their contribution to the overall strategy of the business.
- Other factors such as performance, reliability, effectiveness of controls, business development and contribution to the business are taken into account when assessing the performance of the senior staff responsible for the infrastructure of the firm.

3. Aggregate quantitative info on remuneration broken down by significant business division

Business Area	Aggregate compensation for prior fiscal year £
Equities	13,513,761
Credit	2,483,537
Other	4,131,418

4. Aggregate quantitative information on remuneration, for staff whose actions have a material impact on the risk profile of the firm.

Code Staff	Aggregate compensation for prior fiscal year £
Managing Partners	6,119,808
Partners / Employees	12,558,702

We may omit required disclosures where we believe that the information could be regarded as prejudicial to the UK or other national transposition of Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

We have made no omissions on the grounds of data protection.