

Autonomous Research LLP

Annual Report

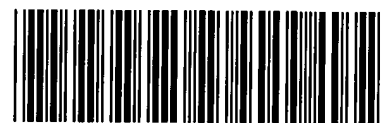
For the year ended 31 December 2020

Registered number OC343985



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Annual Report

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Members and advisors

Designated Members	Surendran Chellappah Daniel Gordon Sanford C. Bernstein (Autonomous UK) 1 Ltd	
Registered Office	50 Berkeley Street London W1J 8SB	
Bankers	HSBC Bank Plc 79 Piccadilly London W1V 0EU	BNP Paribas Securities Services 9 Rue du Debarcadere Paris 75001 France
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT	

Members' report

The members present their annual report together with the audited financial statements and independent auditors' report, for the year ended 31 December 2020.

Partnership

Autonomous Research LLP is a wholly owned subsidiary of 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 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.

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 year 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.

On 1 January 2021, as part of a Group restructure, Sanford C. Bernstein Limited (a group company) transferred its business, trade, assets and liabilities (except those that relate to its European Branches) over to the Partnership at book value.

On 4th January 2021, the Partnership changed its name to Bernstein Autonomous LLP.

Designated Members

S Chellappah, D Gordon and Sanford C. Bernstein (Autonomous UK) 1 Limited were designated members throughout the period.

Results and dividends

During the year, the Partnership achieved an operating profit of £10,912,402 (9 months to 31 Dec 2019: £12,922,448). The Partnership's statement of financial position shows a satisfactory position: Members' total interests as at 31 December 2020 amounted to £11,222,932 (31 December 2020: £9,005,215).

Going concern

The members have reviewed the Partnership's funding arrangements and assessed the level of financial support from its group 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 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.

Members' report (continued)

COVID-19

COVID-19 is having a profound impact on business globally. The Partnership has needed to adapt its engagement activities to rapidly changing circumstances.

Engagement with clients has continued to be a fundamental component of the Partnership's day-to-day business activities during 2020. The Partnership has adapted to a working from home environment seamlessly, engaging with clients through video- conferences and phone calls. These engagement efforts have helped develop, maintain and foster the close relationships necessary to continue to deliver our services in a remote environment.

Engagement with employees has been even more critical due to COVID-19 which has resulted in a mostly working from home environment. As well as maintaining the usual engagement models such as hosting local and global town halls and conducting regular employee engagement surveys, the Partnership has regularly kept all employees informed of decisions to open or close the office in-line with government guidelines. Employee Resource Groups have continued to provide another forum for employees to share information, educate, and engage in outreach with the clients and communities.

Maintaining the highest standards of service and business conduct is a top priority for the Partnership. To facilitate this, one of the key measures taken is to ensure employees attend external seminars and conferences and engage in consultation on upcoming industry change and legislation. Through a robust governance program, management information flows across departments and into the Partnership Executive Committee, and the Partnership's Code of Business Conduct and Ethics summarises the values, principles and business practices that guide business conduct and employees towards responsible behaviour in all of their activities.

COVID-19 caused vast suffering, disruption to the global economy and financial markets, and was particularly devastating for people from underserved or marginalised communities. The Partnership has continued to provide a platform for all staff members to give back up to two days per year to either a charitable organisation or a local community project. By participating together, the Partnership engages with its communities and facilitates working with each other in different settings to forge stronger relationships.

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

The Partnership has three classes of members A, B and C. Class A is represented by the corporate member which holds the entire capital interest in the Partnership. 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.

Members' report (continued)

Pillar 3 disclosure

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

Members' statement as to disclosure of information to auditors

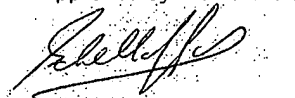
Each of the persons who are Designated Members at the time when this Members' Report is approved has confirmed that:

- 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 enquiries 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.

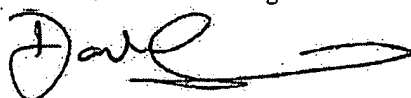
Independent Auditors

The Designated Members proposed to reappoint Pricewaterhouse Coopers LLP as auditors. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

Approved by the Partnership Executive Committee and signed on its behalf by



S Chellappah
Designated Member



D Gordon
Designated Member

50 Berkeley Street
London
W1J 8SB

Date: 26 April 2021

Date: 26 April 2021

Statement of members' responsibilities

The members are responsible for preparing the Members' 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, including FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 Limited Liability Partnerships (Accounts and Audit) (Application of 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.

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 partnership's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (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, which comprise: the statement of financial position as at 31 December 2020; the statement of comprehensive income and the statement of changes in members' interest for the year 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 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

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 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.

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.

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

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

Independent auditors' report to the members of Bernstein Autonomous 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 statement of members' responsibilities, 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 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 partnership or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Bernstein Autonomous LLP (continued)

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.

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.

Based on our understanding of the partnership and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Financial Conduct Authority's regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as 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 evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate manual journal entries to manipulate financial performance and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed included:

- Discussions with management and those charged with governance including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading key correspondence with the Financial Conduct Authority;
- Incorporation of an element of unpredictability in our testing through altering the nature, timing and/or extent of work performed;
- Challenging assumptions and judgements made by management;
- Identifying and testing manual journal entries based on defined fraud risk criteria.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Independent auditors' report to the members of Bernstein Autonomous LLP (continued)

Use of this report

This report, including the opinions, 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 these opinions, 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.

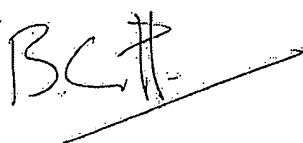
Other required reporting

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 obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the 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
27 April 2021

Statement of Comprehensive Income
for the year ended 31 December 2020

	<i>Note</i>	Year ended 31 December 2020	9 months ended 31 December 2019
		£	£
Revenue	4	21,051,903	19,864,039
Administrative expenses		(10,136,767)	(6,941,591)
Operating profit	5	10,915,136	12,922,448
Interest payable	6	(2,734)	(3,468)
Profit		10,912,402	12,918,980
Profit for the period before members' remuneration and profit shares available for discretionary division among members		10,912,402	12,918,980

There were no other comprehensive income for the year to 31 December 2020 (9 months ended 31 December 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 21 form part of these financial statements.

Statement of Financial Position
as at 31 December 2020

	Note	2020	2019
		£	£
Current assets			
Debtors	10	14,972,906	21,323,369
Cash at bank		8,197,292	5,624,893
		<u>23,170,198</u>	<u>26,948,262</u>
Current liabilities			
Creditors: amounts falling due within one year	11	(2,888,456)	(4,659,941)
Net current assets		<u>20,281,742</u>	<u>22,288,321</u>
Total assets less current liabilities		<u>20,281,742</u>	<u>22,288,321</u>
Net assets		<u>20,281,742</u>	<u>22,288,321</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		9,369,340	9,369,340
Other reserves classified as equity		10,912,402	12,918,981
		<u>20,281,742</u>	<u>22,288,321</u>
Total members' interests			
Amounts due from Members (included in debtors)		(9,058,810)	(13,283,106)
Members' other interests		<u>20,281,742</u>	<u>22,288,321</u>
		<u>11,222,932</u>	<u>9,005,215</u>

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.

These financial statements were approved and authorised for issue by the members and were signed on its behalf by:



Suren Chellappah (Designated Member)

Date: 26 April 2021



Daniel Gordon (Designated Member)

Date: 26 April 2021

Autonomous Research LLP (Company registration number OC343985)

Statement of Changes in Members' Interest
for the year ended 31 December 2020

	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				1,007,847	
Amounts due from members				(13,674,324)	
Balance as at 31 March 2019	9,369,340	12,412,414	21,781,754	(12,666,477)	9,115,277
Profit for the period 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 divisions 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 as at 31 December 2019	9,369,340	12,918,981	22,288,321	(13,283,106)	9,005,215
Profit for the year available for discretionary division among members	-	10,912,402	10,912,402	-	10,912,402
Members' interests after profit for the period	9,369,340	23,831,383	33,200,723	(13,283,106)	19,917,617
Other divisions of profits	-	(12,918,981)	(12,918,981)	12,918,981	-
Drawings	-	-	-	(8,694,685)	(8,694,685)
Amounts due from members				(9,058,810)	
Balance as at 31 December 2020	9,369,340	10,912,402	20,281,742	(9,058,810)	11,222,932

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.

Notes to the financial statements for the year ended 31 December 2020 (forming part of the financial statements)

1 General Information

Autonomous Research LLP is a Limited Liability Partnership and is incorporated and 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 Company law as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Partnership’s financial statements.

Basis of preparation

These financial statements are prepared on the going concern basis and in accordance with Company law as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 consistently for the years presented, are set out below.

The members have reviewed the Partnership’s funding arrangements and assessed the level of financial support from its group 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 designated 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.

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 the address given in Note 15.

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

The Partnership is exempt under FRS 102, paragraph 1.12, from disclosure requirements relating to its deferred incentive compensation awards.

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

3 Principal accounting policies (continued)

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.

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.

Cash at bank

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

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.

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

3 Principal accounting policies (continued)

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 and short-term deposits, 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. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the future receipts. 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.

Transaction date accounting

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

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.

Finance income and costs

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

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

3 Principal accounting policies (continued)

Employee benefits - pension costs

During the year, 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 Comprehensive Income represents the contributions payable to the plan in respect of the accounting year. 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 year end (2019:£nil).

Employee benefits – short term benefits

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

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 members do not believe there are substantive service conditions.

4 Particulars of income

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

	Year ended 31 Dec 2020 £	9 months ended 31 Dec 2019 £
Independent research sales	19,736,330	19,171,457
Credit instruments trading commission	1,315,573	692,582
	<u>21,051,903</u>	<u>19,864,039</u>

Notes to the financial statements for the year ended 31 December 2020 (continued)

5 Operating profit

Included in administrative expenses:

	Year ended 31 Dec 2020 £	9 months ended 31 Dec 2019 £
Net foreign exchange (losses) / gains	(140,060)	552,479
	<u>(140,060)</u>	<u>552,479</u>

6 Interest payable and similar expenses

	Year ended 31 Dec 2020 £	9 months ended 31 Dec 2019 £
Other loan interest payable	2,734	3,468
	<u>2,734</u>	<u>3,468</u>

7 Profit on ordinary activities before taxation

	Year ended 31 Dec 2020 £	9 months ended 31 Dec 2019 £
<i>This is stated after charging</i>		
Auditors' remuneration:		
Fees payable to the Partnership's auditor and its associates for the audit of the financial statements of the Partnership	34,653	28,003
Fees payable to the Partnership's auditor and its associates for other services:		
- CASS Audit – non audit assurance services	<u>17,745</u>	<u>16,132</u>
Total amount payable to the Partnership's auditor and its associates	<u>52,398</u>	<u>44,135</u>

Notes to the financial statements for the year ended 31 December 2020 (continued)

8 Information in relation to members

	Year ended 31 Dec 2020	9 months ended 31 Dec 2019
The average number of members during the period was	<u>20</u>	<u>20</u>
	<u>20</u>	<u>20</u>
The amount of profit attributable to the member with the largest entitlement was	<u>£7,705,728</u>	<u>£1,436,097</u>

9 Employees

Staff costs were as follows:

	Year ended 31 Dec 2020	9 months ended 31 Dec 2019
	£	£
Wages and salaries	2,662,041	1,589,671
Social security costs	487,629	300,371
Costs of defined contribution scheme	215,407	89,438
	<u>3,365,077</u>	<u>1,979,480</u>

The monthly average number of persons employed during the year was:

	2020 Number	2019 Number
Research	13	12
Sales - trading	8	6
Middle/ back office	<u>1</u>	<u>3</u>
	<u>22</u>	<u>21</u>

There are no individuals other than the designated 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.

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

10 Trade and other receivables

	2020	2019
	£	£
Trade receivables	3,299,226	3,964,059
Amounts owed by group undertakings (non trading)	1,630,111	446,206
Other debtors	909	4,014
Prepayments and accrued income	983,850	3,625,984
Amounts due from members	9,058,810	13,283,106
	<u>14,972,906</u>	<u>21,323,369</u>

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

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade payables	-	2,358
Amounts owed to group undertakings (non trading)	709,428	3,213,606
Other taxation and social security	492,306	983,480
Other creditors	107,179	31,950
Accruals and deferred income	1,579,543	428,547
	<u>2,888,456</u>	<u>4,659,941</u>

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

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

12 Financial Instruments

The Partnership has the following Financial instruments:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost		
Cash at bank	8,197,292	5,624,893
Trade receivables	3,299,226	3,964,059
Amounts owed by group undertakings (non trading)	1,630,111	446,206
Other debtors	909	4,014
	<u>13,127,538</u>	<u>10,039,172</u>
Financial liabilities measured at amortised cost		
Trade payables	-	2,358
Amounts owed to group undertakings (non trading)	709,428	3,213,606
Other creditors	107,179	31,950
	<u>816,607</u>	<u>3,247,914</u>

13 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 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.

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.

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.

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 2020 the Partnership had regulatory capital resources in excess of both its regulatory capital requirement (Pillar 1) and the internally measured capital requirement (Pillar 2).

Notes to the financial statements for the year ended 31 December 2020 *(continued)*

14 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.

15 Immediate and ultimate parent company

The immediate parent undertaking and corporate member of the Partnership is Sanford C. Bernstein (Autonomous UK) 1 Ltd. As a 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.

16 Subsequent events

On 1 January 2021 as part of a Group restructure, Sanford C. Bernstein Limited (a group company) transferred its business, trade, assets and liabilities (except those that relate to its European Branches) over to the Partnership at book value. On 4 January 2021, the Partnership changed its name to Bernstein Autonomous LLP.

A new office lease was signed by AllianceBernstein Limited in March 2021 relating to the main London, United Kingdom premises. That lease will commence 29 September 2021 for a term of 10 years. The current Berkeley Street office premises will be vacated upon expiry of the lease in June 2022.