

D. E. Shaw & Co. (London), LLP

Report and Financial Statements

Year ended 31 March 2017

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D. E. Shaw & Co. (London), LLP

Management Committee

Neil Cosgrove
Julius Gaudio
Christopher Zaback

Members

Neil Cosgrove
Julius Gaudio
D. E. Shaw & Co. (U.K.), Ltd.

Auditor

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

Registered Office

D. E. Shaw & Co. (London), LLP
Seventh Floor
55 Baker Street
London
W1U 8EW

D. E. Shaw & Co. (London), LLP
Registered No. OC377872

Management Committee's Report

31 March 2017

The Management Committee presents its annual report together with the financial statements of D. E. Shaw & Co. (London), LLP (the "LLP") for the year ended 31 March 2017. The LLP is a limited liability partnership and a subsidiary of D. E. Shaw & Co. (U.K.), Ltd. ("DESCOUK"), a private company limited by shares. Both the LLP and DESCOUK are domiciled in the United Kingdom (the "UK").

The Management Committee is responsible for the governance of the LLP and the oversight of its operations. The Members of the LLP have delegated the responsibility for the preparation of this report and the financial statements of the LLP to the Management Committee.

Principal Activity

Pursuant to the permissions received from the UK Financial Conduct Authority (the "FCA") under Part 4A of the Financial Services and Markets Act 2000, the LLP is authorised to engage in certain regulated activities in the UK. Under these permissions, the LLP provides investment advisory and other related services, predominantly to D. E. Shaw & Co., L.P. ("DESCO LP"), which is DESCOUK's parent and a United States ("U.S.") -based investment adviser registered with the U.S. Securities and Exchange Commission. The LLP's activities are conducted ultimately for the benefit of certain of DESCO LP's (and certain of its affiliates') affiliated advisory clients and focus on investment and trading opportunities in European markets and certain global markets. DESCO LP is an investment adviser and provides management and investment advisory services to certain private investment funds and related entities.

The LLP's Pillar 3 disclosure, as required by the FCA's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU") (BIPRU 11.3.3R), is available for review at the D. E. Shaw Group website, www.deshaw.com.

Review of the Business

The results for the financial year are shown in the statement of comprehensive income on page 7 and the financial position is set out in the statement of financial position on page 8.

The LLP was compensated during the financial year by DESCO LP for its services under a License and Services Agreement and an Investment Advisory Agreement between them. Over the course of the financial year, the average monthly number of employees of the LLP increased from 30 to 35.

Going Concern

The LLP's business activities are set out in the principal activity described in the section above. The financial position of the LLP and its liquidity position are reflected on the statement of financial position.

While the LLP remains dependent on revenue primarily from DESCO LP, the Management Committee is not aware of any reason that this agreement will be terminated in the foreseeable future. The nature of the relationship with DESCO LP (and certain of its affiliates) indicates a high degree of certainty that the LLP will continue to be profitable and, historically, the LLP has received income in a timely manner in order to manage its obligations (which are relatively predictable in nature). As a consequence, the Management Committee believes that the LLP is well placed to manage its business risks successfully. The Management Committee has a reasonable expectation that the LLP will continue to have adequate resources and has

D. E. Shaw & Co. (London), LLP
Registered No. OC377872

Management Committee's Report (Continued)

31 March 2017

Going Concern (Continued)

also assessed the financial resources, performance and client base of DESCO LP in order to arrive at a determination that the LLP will have adequate capital to meet its obligations for the foreseeable future. Thus the Management Committee continues to adopt the going concern basis of accounting in preparing the financial statements.

Future Developments

There are no plans which will significantly change the activities and risks of the LLP.

Principal Risks and Uncertainties

Given that the LLP's revenue is primarily derived from DESCO LP, the LLP's principal risks relate to the credit default and liquidity risks associated with the receipt of income on a timely basis from this related party. These risks are managed through regular dialogue with DESCO LP to ensure that the LLP maintains sufficient working capital to meet its liabilities as they fall due.

From an operational perspective, the key risks to the LLP relate to the potential for non-compliance by the LLP with applicable regulations, including those issued by the FCA that could lead to the cancellation of the LLP's UK regulatory permissions. These risks are managed through regular review of the LLP's compliance framework by senior management.

Management Committee

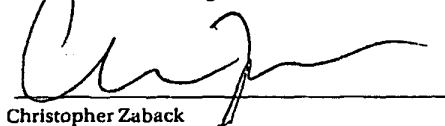
The following people served during the financial year and through to the report date:

Neil Cosgrove
Julius Gaudio
Christopher Zaback

Auditor

So far as the Management Committee is aware, there is no relevant audit information of which the LLP's auditor is unaware. The Management Committee has taken all steps they believe ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of this information.

On behalf of the Management Committee:



Christopher Zaback
24 July 2017

D. E. Shaw & Co. (London), LLP

Statement of Management Committee's Responsibilities

31 March 2017

Under the delegated authority of the Members of the LLP, the Management Committee is responsible for preparing the Management Committee's Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 made under the Limited Liability Partnerships Act 2000 requires the preparation of the financial statements for each financial year. Under that regulation, the Management Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Financial Reporting Standard ("FRS") 102). The Management Committee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the LLP and of the comprehensive income of the LLP for that financial year. In preparing these financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

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

Independent Auditor's Report

To the Members of D. E. Shaw & Co. (London), LLP

We have audited the financial statements of D. E. Shaw & Co. (London), LLP (the "LLP") for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests, the Statement of Cash Flows, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard ("FRS") 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Committee and Auditor

As explained more fully in the Statement of Management Committee's Responsibilities set out on page 4, the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Management Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Management Committee's report to identify material inconsistencies with the audited financial statements and to identify any information that is materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditor's Report (Continued)

Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the LLP's affairs as at 31 March 2017 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 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Matters on which we are required to report by exception

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

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

Ernst + Young LLP

Neil Parker (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London
25 July 2017

D. E. Shaw & Co. (London), LLP

Statement of Comprehensive Income

		Year Ended 31 March 2017 £	Year Ended 31 March 2016 £
	<i>Notes</i>		
Turnover			
Fee Income	2	42,837,411	29,442,668
Other Income	2	220,227	163,708
Total turnover		<u>43,057,638</u>	<u>29,606,376</u>
Expenses			
Administrative expenses		33,422,503	23,161,497
Expense reimbursements by affiliated entities		<u>(1,556,757)</u>	<u>(1,534,140)</u>
Net expenses		<u>31,865,746</u>	<u>21,627,357</u>
Operating profit	3	11,191,892	7,979,019
Foreign exchange gain/(loss)		11,779	(5,493)
Interest income		<u>42</u>	<u>249</u>
Profit for the year available for discretionary division among members	5	11,203,713	7,973,775
Other comprehensive income		<u>-</u>	<u>-</u>
Total Comprehensive Income		<u>11,203,713</u>	<u>7,973,775</u>

All amounts are in respect of continuing activities.

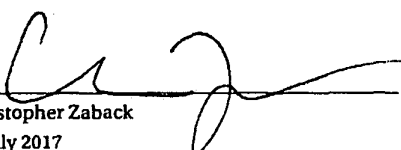
The accompanying notes are an integral part of this Statement of Comprehensive Income.

D. E. Shaw & Co. (London), LLP
Registered No. OC377872

Statement of Financial Position

		As at 31 March 2017 £	As at 31 March 2016 £
	Notes		
Non-current Assets			
Tangible fixed assets	6	230,624	99,857
Total non-current assets		<u>230,624</u>	<u>99,857</u>
Current Assets			
Debtors	7	1,909,214	1,595,729
Cash at bank		<u>9,733,914</u>	<u>8,351,735</u>
Total current assets		<u>11,643,128</u>	<u>9,947,464</u>
Current Liabilities			
Creditors	8	2,288,290	1,831,804
Total current liabilities		<u>2,288,290</u>	<u>1,831,804</u>
Net current assets		<u>9,354,838</u>	<u>8,115,660</u>
Total Assets Attributable To Members		<u>9,585,462</u>	<u>8,215,517</u>
Represented by:			
Equity			
Members' capital		5,471,000	5,471,000
Other reserves		<u>4,114,462</u>	<u>2,744,517</u>
Total Equity		<u>9,585,462</u>	<u>8,215,517</u>
		As at 31 March 2017 £	As at 31 March 2016 £
Memorandum of Members' Total Interests			
Loans and other debts due from Members		(124,130)	(48,456)
Members' other interests		<u>9,585,462</u>	<u>8,215,517</u>
Members' Total Interests		<u>9,461,332</u>	<u>8,167,061</u>

Signed on behalf of the Management Committee by:


Christopher Zaback
24 July 2017

The accompanying notes are an integral part of this Statement of Financial Position.

D. E. Shaw & Co. (London), LLP

Reconciliation of Members' Interests

	Members' capital £	Other reserves £	Total Members' other interests £	Loans and other debts due to / (from) Members' £	Total Members' interests £
Balance at 1 April 2015	5,471,000	2,430,025	7,901,025	24,449	7,925,474
Profit for the year	-	7,973,775	7,973,775	-	7,973,775
Profit allocations	-	(7,659,283)	(7,659,283)	7,659,283	-
Distributions	-	-	-	(7,732,188)	(7,732,188)
Balance at 31 March 2016	5,471,000	2,744,517	8,215,517	(48,456)	8,167,061
Profit for the year	-	11,203,713	11,203,713	-	11,203,713
Profit allocations	-	(9,833,768)	(9,833,768)	9,833,768	-
Distributions	-	-	-	(9,909,442)	(9,909,442)
Balance at 31 March 2017	5,471,000	4,114,462	9,585,462	(124,130)	9,461,332

The accompanying notes are an integral part of this Reconciliation of Members' Interests.

D. E. Shaw & Co. (London), LLP

Statement of Cash Flows

	<i>Notes</i>	Year Ended 31 March 2017 £	Year Ended 31 March 2016 £
Net cash inflow from operating activities	9	<u>11,485,391</u>	<u>8,334,087</u>
Investing activities:			
Payments to acquire tangible fixed assets		(193,812)	(77,208)
Bank interest received		<u>42</u>	<u>249</u>
Net cash outflow from investing activities		<u>(193,770)</u>	<u>(76,959)</u>
Financing activity:			
Distributions to Members		<u>(9,909,442)</u>	<u>(7,732,188)</u>
Net cash outflow from financing activity		<u>(9,909,442)</u>	<u>(7,732,188)</u>
Increase in cash and cash equivalents		1,382,179	524,940
Cash and cash equivalents as of the beginning of the year		<u>8,351,735</u>	<u>7,826,795</u>
Cash and cash equivalents as of the end of the year		<u>9,733,914</u>	<u>8,351,735</u>

The accompanying notes are an integral part of this Statement of Cash Flows.

D. E. Shaw & Co. (London), LLP

Notes to Financial Statements

Year Ended 31 March 2017

1. Accounting Policies

a. Basis of Accounting

The financial statements of D. E. Shaw & Co. (London), LLP (the "LLP"), a subsidiary of D. E. Shaw & Co (U.K.), Ltd ("DESCOUK"), have been prepared in accordance with the Financial Reporting Standards ("FRS") applicable in the United Kingdom ("UK") and Republic of Ireland ("FRS 102").

Statement of Compliance with FRS 102

The financial statements have been prepared on a going concern basis in accordance with FRS 102 and in accordance with the requirements of the Companies Act 2006 as applied to the limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and in accordance with the Statement of Recommended Practice "Accounting for Limited Liability Partnerships" issued in January 2017.

b. Members' Profit Allocations

The Management Committee shall determine the allocation of profits and losses amongst the Members in accordance with the Limited Liability Partnership Agreement ("Partnership Agreement"). The LLP has no fixed obligation to allocate profits to the Members. The profits of the LLP are allocated amongst the Members at the discretion of the Management Committee. The Members' remuneration is shown as a deduction from Members' interests.

Any cash drawings withdrawn from the LLP by Members in advance of a profit allocation are recognised as a loan due from Members. Where profit allocations exceed drawings made by Members, this is represented as a loan amount due to the Members. Where drawings exceed profit allocations, this is presented as a loan due from Members.

c. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

d. Tangible Fixed Assets

All tangible fixed assets are recorded at cost.

In general, tangible fixed assets are depreciated over their estimated useful lives as follows:

Computer equipment	3 years straight-line
Furniture, fittings and office equipment	5 years straight-line

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

1. Accounting Policies (Continued)

e. Debtors

Trade receivables are measured at fair value on initial recognition which equated to the amount expected to be receivable on settlement of the asset.

f. Creditors

Trade payables are initially measured at fair value which approximates the amount expected to be required to settle the obligations on behalf of the LLP.

g. Foreign Currency Translation

The functional and presentational currency of the LLP is pound sterling (GBP). Transactions denominated in currencies other than sterling are recorded at a sterling amount computed using a rate of exchange, reasonably determined by the LLP, as of the applicable date. Monetary assets and liabilities denominated in currencies other than sterling at year-end are translated into sterling at a rate of exchange, reasonably determined by the LLP, as of year-end. Any gains or losses arising from a change in exchange rates are included in the statement of comprehensive income.

h. Deferred Compensation

The LLP operates a deferred compensation incentive scheme for certain employees. The LLP recognises the cost of the deferred compensation award on a straight line basis over the vesting period. Subject to certain conditions, employees will only be entitled to the award if they continue to be employed by the LLP throughout the vesting period. The total value of the award and the cost recognised in the year is adjusted to reflect the LLP's best estimate of the value of the awards.

i. Tax

No provision has been made for taxation in the financial statements. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual Member and not on the LLP.

j. Members' Capital

Policies for Members' contributions, and repayments of Members' capital are governed by the Partnership Agreement. Each of the Members of the LLP is required to make a capital contribution to the LLP. Capital contributed by Members is recognised as equity in the financial statements of the LLP. Capital is repayable to the Members at the discretion of the Management Committee and in accordance with the Partnership Agreement.

k. Revenue Recognition

Income primarily represents fees earned for investment advisory services and is recognised on an accrual basis when the LLP obtains the right for consideration in exchange for its

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

1. Accounting Policies (Continued)

k. Revenue Recognition

performance of services. Turnover is measured at the fair value of the consideration received, excluding value added tax.

l. Expenses

Expenses incurred have been recognised on an accrual basis.

2. Turnover

The LLP's turnover represents income generated pursuant to the License and Services Agreement (which incorporates an investment advisory agreement) with D. E. Shaw & Co., L.P. ("DESCO LP"), the parent of DESCOUK, and arises from activities performed in the UK on behalf of entities primarily domiciled in the United States ("U.S."). In consideration for the services provided by the LLP to DESCO LP under that agreement, DESCO LP compensates the LLP through the payment of a profit sharing arrangement comprised of the following:

- a) a monthly advisory fee based on the net assets advised by the LLP in certain investment strategies deployed by DESCO LP on behalf of its affiliated investment advisory clients;
- b) an annual performance fee (subject to a loss carry forward provision) based on the returns generated by the assets advised by the LLP in the investment strategies to which the advisory fee described in (a) apply;
- c) cost-plus reimbursements of costs and expenses incurred by the LLP in connection with the provision of various services that are not subject to the advisory and performance fees described in (a) and (b), including trade execution services relating to certain investment strategies deployed by DESCO LP on behalf of its affiliated investment advisory clients, and;
- d) in the event income generated by (a), (b), and (c) above do not total to a minimum 'floor' amount, an additional cost-plus 'floor' reimbursement is calculated such that DESCO LP compensates the LLP a minimum amount (subject to a loss carry forward) each year that is equal to certain of the LLP's costs and expenses incurred in providing services to DESCO LP, plus a mark-up.

In years in which DESCO LP is obligated to compensate the LLP in amounts in excess of the cost-plus 'floor' discussed in (d) above, such amounts may be clawed back against cost-plus 'floor' revenue recognised in prior periods.

Turnover, originating in the U.S., is recognised when the LLP obtains the right for consideration in exchange for its performance.

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

3. Operating Profit

The operating profit is stated after charging:

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£	£
Depreciation of tangible fixed assets (Note 6)	63,045	33,020
Auditor's remuneration for statutory audit services	92,333	40,000
Taxation services and other professional fees	125,424	177,515

The LLP's auditor's did not provide any non-audit services to the LLP for the years ended 31 March 2017 and 31 March 2016.

4. Staff Costs

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£	£
Wages and salaries	14,762,082	9,690,352
National insurance contributions	1,758,005	1,312,287
Other costs	211,071	183,468
Total	<u>16,731,158</u>	<u>11,186,107</u>

The average monthly number of employees during the financial year was as follows:

	Year Ended 31 March 2017	Year Ended 31 March 2016
	Nos.	Nos.
Traders and analysts	16	13
Administration	19	17
Total	<u>35</u>	<u>30</u>

The LLP operates a deferred compensation plan under which certain employees earn deferred compensation. The awards under the deferred compensation plan typically vest over the three-year period from the initial grant date of the award. Employees are generally required to remain employed by the LLP to retain their entitlement to the award. For the year ended 31 March 2017, the deferred compensation expense was £4.4m (2016: £1.9m). This amount is recognised within the wages and salaries balance in the table above. An amount of £3.0m was paid to employees during the year in respect of deferred compensation awarded.

During the vesting period, deferred compensation amounts are invested on behalf of employees by DESCO LP with affiliated fund entities for which DESCO LP acts as investment adviser. In addition

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

4. Staff Costs (Continued)

to the initial value of the deferred compensation award, such awards will be subject to the return generated from the investment made in these underlying funds. Until the vesting date, these investments are held in the name of DESCO LP on behalf the employees and, therefore, do not represent an asset of the LLP.

5. Members' Profit Allocation

	Year Ended 31 March 2017 £	Year Ended 31 March 2016 £
Profits for the year available for discretionary division among Members	<u>11,203,713</u>	<u>7,973,775</u>
Profits in respect of the Member who received the largest share of profits	<u>4,114,462</u>	<u>2,744,517</u>

The average number of Members during the financial year was three.

6. Tangible Fixed Assets

	Computer Equipment £	Furniture, Fittings, and Office Equipment £	Total £
Cost:			
1 April 2016	386,622	200,703	587,325
Additions during the year	<u>177,474</u>	<u>16,338</u>	<u>193,812</u>
31 March 2017	<u>564,096</u>	<u>217,041</u>	<u>781,137</u>
Depreciation:			
1 April 2016	(349,008)	(138,460)	(487,468)
Depreciation during the year	<u>(40,754)</u>	<u>(22,291)</u>	<u>(63,045)</u>
31 March 2017	<u>(389,762)</u>	<u>(160,751)</u>	<u>(550,513)</u>
Net book value:			
31 March 2016	<u>37,614</u>	<u>62,243</u>	<u>99,857</u>
Net book value:			
31 March 2017	<u>174,334</u>	<u>56,290</u>	<u>230,624</u>

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

7. Debtors

	31 March 2017	31 March 2016
	£	£
Amounts due from related undertakings	1,450,450	1,285,341
VAT recoverable	56,051	95,937
Prepayments	257,787	163,581
Amounts due from Member	124,130	48,456
Other debtors	20,796	2,414
	<u>1,909,214</u>	<u>1,595,729</u>

8. Creditors

	31 March 2017	31 March 2016
	£	£
Amounts due to related undertakings	302,760	1,133,653
Accruals	190,711	321,724
Other taxes and national insurance contributions	331,722	350,848
Deferred compensation	1,384,956	-
Other creditors	78,141	25,579
	<u>2,288,290</u>	<u>1,831,804</u>

9. Notes to the Statement of Cash Flows

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£	£
Operating profit	11,191,892	7,979,019
Adjustments for non-cash operating activities:		
Depreciation expense	63,045	33,020
(Increase) in debtors	(237,811)	(590,914)
Increase in creditors	456,486	918,455
Foreign exchange gain/(loss)	11,779	(5,493)
Net cash inflow from operating activities	<u>11,485,391</u>	<u>8,334,087</u>

10. Related Party Transactions

The LLP provides certain services to DESCO LP (and certain of its affiliates) that are ultimately for the benefit of DESCO LP's (and certain of its affiliates') affiliated advisory clients. As described in Note 2, with respect to items (a) and (b), the LLP charged DESCO LP £16.7 million (2016: £16.1 million) and nil (2016: nil), respectively, for the year ended 31 March 2017. In connection with items (c) and (d),

Notes to Financial Statements (Continued)

Year Ended 31 March 2017

10. Related Party Transactions (Continued)

the LLP charged DESCO LP £26.4 million (2016: £13.5 million) and nil (2016: nil), respectively, for such costs and expenses for the year ended 31 March 2017.

The LLP has a receivable from DESCO LP and certain other affiliates of £1.5 million as of 31 March 2017 relating primarily to the services referred to in the preceding paragraph. In addition, the LLP has a payable to affiliates of £0.3 million as of 31 March 2017 relating primarily to allocated expenses charged to the LLP in respect of services provided by these affiliates on behalf of the LLP. An expense of £11.3 million is recognised within administrative expenses in the statement of comprehensive income for the year ended 31 March 2017 (2016: £7.1 million).

Key management personnel comprise exclusively of certain Members and the remuneration allocated to such Members during the year ended 31 March 2017 has been disclosed in the reconciliation of Members' interests.

11. Ultimate Parent and Controlling Company

The LLP is a subsidiary of DESCOUK, which is a wholly owned subsidiary of DESCO LP. DESCOUK is the smallest parent undertaking for which consolidated accounts are prepared. DESCOUK is consolidated into the financial statements of DESCO LP, a Delaware limited partnership headquartered at 1166 Avenue of the Americas, 9th Floor, New York, NY, 10036. The registered office of DESCOUK is at 55 Baker Street, 7th Floor, London, W1U 8EW.