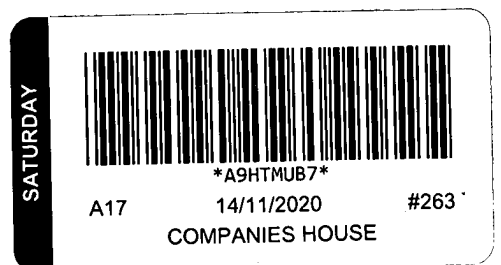


COREMONT LLP

Registered No. OC420985

**MEMBERS' ANNUAL REPORT
AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020**



COREMONT LLP
Annual Report and Consolidated Financial Statements

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
For the period ended 31 March 2020

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COREMONT LLP
Annual Report and Consolidated Financial Statements

REGISTERED OFFICE AND PROFESSIONAL ADVISERS

Registered Office

4th Floor Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Secretary

Throgmorton Secretaries LLP
4th Floor Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Designated Members

Bevan Kaminer
Djevdet Mehmet
James Cousins
C1 Holdings Limited

Bankers

Barclays
39/41 Broad Street
St Helier
Jersey
JE4 8PU

Independent Auditor

BDO LLP
55 Baker Street
W1U 7EU

Registered No. OC420985

COREMONT LLP

Annual Report and Consolidated Financial Statements

MEMBERS' REPORT

For the year ended 31 March 2020

The Board of Coremont LLP (the "LLP") submits its report together with the audited consolidated financial statements for the year ended 31 March 2020.

Principal activity and review of the business

The principal activity of the LLP is to provide integrated front to back office services to asset managers and financial institutions. The LLP is authorised and regulated by the Financial Conduct Authority. The Board is satisfied with the development of the business to date and expects the current activities to continue in the foreseeable future. The LLP has no branches.

Results and distributions

The results for the year are shown in the profit and loss account on page 11. The LLP's balance sheet is detailed on page 13 with total members' interests amounting to £17,196,620 (2019: £13,365,621).

Designated members

The designated members of the LLP during the year were as follows:

Bevan Kaminer
Djevdet Mehmet
James Cousins
C1 Holdings Limited

Members' profit allocation

Any profits are shared among the members in accordance with the LLP's partnership agreement dated 13 September 2018 as amended (the "Partnership Agreement"). The average number of members during the year was 11 (2019: 10) including two corporate members. Brevan Howard Partnership Services Limited ("BHPSL") is a corporate member who provided services to the LLP during the year in relation to its operating activities. BHPSL was the highest paid member and received allocations of £25,406,164 (2019: £22,395,867) during the year.

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

The Partnership Agreement governs members' drawings, subscriptions and repayment of members' capital. The amount contributed to the capital of the LLP by each member is determined by the LLP. Under the terms of the Partnership Agreement, the LLP has the discretion to allow members to take drawings in advance of the end of a financial year in anticipation of their profit entitlements for such financial year. A member does not have the right directly or indirectly to receive back any part of the amount standing to the credit of its capital contribution account except if certain conditions are met and the prior consent of the LLP is given.

In the event that members' remuneration as an expense, drawings and discretionary allocations in any financial year are in excess of the profit available for allocation, an amount equal to that excess will be debited to the capital contribution account of one of the corporate members.

Going concern

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across a significant number of countries and has been classified as a pandemic by the World Health Organisation. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy and the economies of certain nations, including those where the group's clients operate in.

COREMONT LLP

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Given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID-19 on the LLP or to provide a quantitative estimate of this impact.

The members have considered the position of the LLP and the group at the date of signing these financial statements and have determined that the LLP has adequate capital and liquidity to meet its obligations and to continue in operational existence for the foreseeable future. The group has recently been successful in onboarding new clients and continues to do so in the current environment. The group have successfully enacted business continuity measures which should ensure that the group can continue to function with minimal disruption to its business activities. The members believe that the business is well placed to manage its business risks and that the group will be able to continue to function with minimal disruption in the circumstance that one or more of the key management personnel were unable to work as a consequence of COVID-19.

Given the nature of the business and its activities, the members also consider that the impact of the coronavirus would not affect the ability of the LLP to continue to grow and generate value in the long term. The members confirm that there is no intention to change the business activity as a result of COVID-19.

Based on these factors, the members believe that it is appropriate to continue to prepare these financial statements on a going concern basis.

Disclosure of information to auditor

The Board confirms at the date of approving this report, so far as it is aware, there is no relevant audit information of which the LLP's auditor is unaware. The Board has taken all the steps that ought to have been taken to make itself aware of any relevant audit information and to ensure that the LLP's auditor is aware of that information.

Principal risks

The LLP's activities expose it to certain financial risks, which are managed as part of its business. Liquidity risk is managed by the LLP receiving monthly fee income during the period for the services it provides which ensures that it has sufficient cash to cover its operating expenses and settle its liabilities as they fall due. The LLP's primary assets are cash balances, prepayments and other receivables. Credit risk is primarily attributable to the LLP's receivable balances which are subject to allowances for doubtful debts. Credit risk is considered to be limited on cash balances as only banking institutions with high credit ratings, as assigned by international rating agencies, are used. The counterparty credit risk of these institutions is subject to regular review. The LLP is exposed to currency exchange rate risk due to USD based revenue and future GBP costs. The LLP manages currency exchange risk by entering into FX forward contracts to hedge the receivables.

Remuneration Code

The remuneration code disclosures of the LLP as required by the FCA Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU) 11.518 and SYSC 19C – Disclosure obligations can be found at <http://www.coremont.com>.

Pillar 3 disclosure


The Pillar 3 disclosures required by Chapter 11 of the FCA's Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU) can be found at <http://www.coremont.com>.

COREMONT LLP
Annual Report and Consolidated Financial Statements

Auditor

BDO LLP will be proposed for reappointment.

On behalf of the Board



Bevan Kaminer
24 July 2020

COREMONT LLP
Annual Report and Consolidated Financial Statements

STATEMENT OF MEMBERS' RESPONSIBILITIES
For the period ended 31 March 2020

Statement of members' responsibilities

The members are responsible for preparing the members' report and financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008* require the members to prepare financial statements for each financial year. Under these regulations 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 these regulations 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 Limited Liability Partnership and of the profit or loss of the Limited Liability 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 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 Limited Liability Partnership will continue in business.

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

During the period, the Board was responsible for these matters on behalf of the members.

On behalf of the Board



Bevan Kaminer
24 July 2020

COREMONT LLP

Annual Report and Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF COREMONT LLP

We have audited the financial statements of Coremont LLP for the year ended 31 March 2020 which comprise the Statement of profit and loss and other comprehensive income, the Balance sheet, the Cash flow statement, the Statement of changes in equity and the related notes. 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).

This report is made solely to the limited liability partnership's members, as a body, in accordance with the 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 limited liability 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.

Respective responsibilities of members and auditors

As explained more fully in the statement of members' responsibilities, the members are 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the limited liability partnership's affairs as at 31 March 2020 and of the group's 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 to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

COREMONT LLP
Annual Report and Consolidated Financial Statements

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

BDO LLP

Vanessa-Jayne Bradley (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
24 July 2020

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

COREMONT LLP
Annual Report and Consolidated Financial Statements

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER
 COMPREHENSIVE INCOME**
 For the year ended 31 March 2020

	Notes	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Revenue			
Fee income		26,015,288	22,098,912
Other income		1,401,820	1,824,050
Total income		27,417,108	23,922,962
Expenses			
Administration expenses		(1,986,468)	(583,209)
Operating profit	3	25,430,640	23,339,753
Interest received		98,762	45,094
Interest paid		(5,636)	-
Profit before members' remuneration charged as an expense		25,523,766	23,384,847
Members' remuneration charged as an expense	10	(25,523,766)	(22,395,867)
(Loss)/ Profit for the period available for division among members		-	988,980

All amounts are in respect of continuing operations.

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP
Annual Report and Consolidated Financial Statements

**PARTNERSHIP STATEMENT OF PROFIT AND LOSS AND OTHER
 COMPREHENSIVE INCOME**
For the year ended 31 March 2020

	Notes	Year ended 31 March 2020 £	Period ended 31 March 2019 £
Revenue			
Fee income		26,015,288	22,098,912
Other income		1,401,820	1,824,050
Total income		27,417,108	23,922,962
Expenses			
Administration expenses		(2,104,070)	(606,460)
Operating profit	3	25,313,038	23,316,502
Interest received		98,762	45,094
Interest paid		(5,636)	-
Profit before members' remuneration charged as an expense		25,406,164	23,361,596
Members' remuneration charged as an expense	11	(25,406,164)	(22,395,867)
Profit for the period available for division among members		-	965,729

All amounts are in respect of continuing operations.

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP
Annual Report and Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET
As at 31 March 2020

	Notes	31 March 2020 £	31 March 2019 £
Fixed Assets			
Fixed Assets	4	33,085	-
Current assets			
Debtors and prepayments	5	9,036,430	7,987,877
Cash and cash equivalents		18,510,104	13,391,953
		<u>27,546,534</u>	<u>21,379,830</u>
Current liabilities			
Creditors - amounts falling due within one year	6	(1,000,352)	(103,947)
Net current assets		<u>26,546,182</u>	<u>21,275,883</u>
Creditors - amounts falling due after one year	7	(339,088)	-
Net assets attributable to members		<u>26,240,179</u>	<u>21,275,883</u>
Represented by:			
Equity			
	10	<u>26,240,179</u>	<u>21,275,883</u>
Total members' interests			
Members' capital and other interests classified as equity		26,240,179	21,275,883
Amounts due from members	5,10	(8,902,706)	(7,887,011)
		<u>17,337,437</u>	<u>13,388,872</u>

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements. These consolidated financial statements were approved by the Board and signed on behalf of all the members on 24 July 2020 by:



Bevan Kaminer
 On behalf of the Board
 LLP Registration Number OC420985

COREMONT LLP
Annual Report and Consolidated Financial Statements

PARTNERSHIP BALANCE SHEET
As at 31 March 2020

	Notes	31 March 2020 £	31 March 2019 £
Fixed Assets			
Investments	9	8,501	200
Current assets			
Debtors and prepayments	5	9,044,937	7,983,256
Cash and cash equivalents		18,328,815	13,329,417
		<u>27,373,752</u>	<u>21,312,673</u>
Current liabilities			
Creditors - amounts falling due within one year	6	<u>(943,839)</u>	<u>(60,241)</u>
Net current assets		26,429,913	21,252,432
Creditors - amounts falling due after one year	7	(339,088)	-
Net assets attributable to members		<u>26,099,326</u>	<u>21,252,632</u>
Represented by:			
Equity	11	26,099,326	21,252,632
Total members' interests			
Members' capital and other interests classified as equity		26,099,326	21,252,632
Amounts due from members	5,11	<u>(8,902,706)</u>	<u>(7,887,011)</u>
		<u>17,196,620</u>	<u>13,365,621</u>

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements. These consolidated financial statements were approved by the Board and signed on behalf of all the members on 24 July 2020 by:



Bevan Kaminer
 On behalf of the Board
 LLP Registration Number OC420985

COREMONT LLP
Annual Report and Consolidated Financial Statements

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 March 2020

	Notes	Year ended 31 March 2020	Period ended 31 March 2019
		£	£
Cash flows from operating activities			
Profit for the financial year before members' remuneration		25,523,766	23,384,847
<i>Adjustments for:</i>			
Depreciation		11,856	-
Net fair value loss recognised in the profit and loss		795,135	24,260
Net interest (receivable)		(93,126)	(45,094)
(Increase) in debtors		(39,828)	(79,482)
Increase in creditors		440,358	79,687
(Increase in) members' loans and other debts		(804,279)	(7,740,753)
Net cash flows from operating activities before transactions with members		25,833,883	15,623,465
Members' remuneration charged as an expense		(25,840,569)	(22,395,867)
Net cash flows generated from operating activities		(6,686)	(6,772,402)
Cash flows from investing activities			
Purchase of fixed assets		(44,941)	-
Interest received		105,732	23,710
Net cash flows from investing activities		60,791	23,710
Net cash flows from financing activities			
Interest paid		(5,636)	-
Contributions to members' capital		8,066,061	22,800,217
Distributions in relation to operating activities		(2,784,962)	(2,513,314)
Net cash flows from financing activities		5,275,463	20,286,903
Net increase/(decrease) in cash and cash equivalents		5,329,568	13,538,311
Cash and cash equivalents at the beginning of year		13,391,953	-
Foreign exchange losses		(211,417)	(146,258)
Cash and cash equivalents at end of year		18,510,104	13,391,953

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP
Annual Report and Consolidated Financial Statements

PARTNERSHIP CASH FLOW STATEMENT
For the year ended 31 March 2020

	Year ended 31 March 2020	Period ended 31 March 2019
	£	£
Cash flows from operating activities		
Profit for the financial year before members' remuneration	25,406,164	23,316,502
<i>Adjustments for:</i>		
Net fair value loss recognised in the profit and loss	795,135	-
Net interest (receivable)	(93,126)	-
(Increase) in debtors	(52,956)	(74,861)
Increase in creditors	427,551	60,241
(Increase in) members' loans and other debts	(785,356)	(7,887,011)
Net cash flows from operating activities before transactions with members	<u>25,697,412</u>	<u>15,414,871</u>
Members' remuneration charged as an expense	(25,840,569)	(22,395,867)
Net cash flows generated from operating activities	<u>(143,157)</u>	<u>(6,980,996)</u>
Cash flows from investing activities		
Purchase of fixed asset investments	(8,301)	(200)
Interest received	105,732	23,710
Net cash flows from investing activities	<u>97,431</u>	<u>23,510</u>
Net cash flows from financing activities		
Contributions to members' capital	8,066,061	22,800,217
Interest paid	(5,636)	-
Distributions in relation to operating activities	(2,784,962)	(2,513,314)
Net cash flows from financing activities	<u>5,275,463</u>	<u>20,286,903</u>
Net increase/(decrease) in cash and cash equivalents	5,229,737	13,329,417
Cash and cash equivalents at the beginning of year	13,329,417	-
Foreign exchange losses	(230,339)	-
Cash and cash equivalents at end of year	<u>18,328,815</u>	<u>13,329,417</u>

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP
Annual Report and Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 March 2020

	Members' capital classified as equity £	Members' other reserves classified as equity £	Total £
At 9 February 2018	-	-	-
Profit for the period available for division among members	-	988,980	988,980
Capital contributions	22,800,217	-	22,800,217
Profit allocations	-	(2,513,314)	(2,513,314)
Capital contribution reduction	(1,524,334)	1,524,334	-
At 31 March 2019	21,275,883	-	21,275,883
Capital contributions	8,066,061	-	8,066,061
Profit allocations	-	(3,101,765)	(3,101,765)
Capital contribution reduction	(3,101,765)	3,101,765	-
At 31 March 2020	26,240,179	-	26,240,179

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP
Annual Report and Consolidated Financial Statements

PARTNERSHIP STATEMENT OF CHANGES IN EQUITY
As at 31 March 2020

	Members' capital classified as equity £	Members' other reserves classified as equity £	Total £
At 9 February 2018	-	-	-
Profit for the period available for division among members	-	965,729	965,729
Capital contributions	22,800,217	-	22,800,217
Profit allocations	-	(2,513,314)	(2,513,314)
Capital contribution reduction	(1,547,585)	1,547,585	-
At 31 March 2019	21,252,632	-	21,252,632
Capital contributions	8,066,061		8,066,061
Profit allocations		(3,219,367)	(3,219,367)
Capital contribution reduction	(3,219,367)	3,219,367	-
At 31 March 2020	26,099,326	-	26,099,326

The notes on pages 18 to 27 and the section entitled "Members' profit allocation" in the Members' report form part of these consolidated financial statements.

COREMONT LLP

Annual Report and Consolidated Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

1. Entity information

The LLP is a limited liability partnership incorporated on the 9th of February 2018 in the United Kingdom. The LLP's registered office is 4th Floor Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS. The LLP's principal place of business is 55 Baker Street, London, W1U 8EW, United Kingdom.

2. Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (“SORP”), Accounting by Limited Liability Partnerships issued in January 2017 and have been prepared on a going concern basis as set out in the Members' report. The particular accounting policies are described below. These have all been applied consistently throughout the period.

After reviewing the group's forecasts and projections, the members have a reasonable expectation that the group has adequate resources to continue in operation existence for the foreseeable future. The members have also considered the impact of COVID-19 and do not believe this will affect the going concern assumption. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The functional and presentation currency of these consolidated financial statements is GBP.

The consolidated financial statements include the financial statements of the Partnership and all of its subsidiary undertakings up to 31 March 2020. Accordingly, the results of the Group for the entire year ended 31 March 2020 are shown in the consolidated profit and loss statement, consolidated balance sheet, consolidated cash flow statement and consolidated statement of changes in equity. All intra-group balances, transactions, income and expenses are eliminated in full on consolidation.

2.1 Revenue recognition

Revenue, which is stated net of value added tax, represents fees receivable for the provision of front to back office services to asset managers and other income arising from continuing activities, and is recognised on an accruals basis, when it becomes receivable. Interest income is recognised on an accruals basis when it becomes receivable.

2.2 Significant judgements and estimates

In applying the LLP's accounting policies, the members are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The members' judgments, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

COREMONT LLP

Annual Report and Consolidated Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

2.2 Significant judgements and estimates - continued

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that period, or in the year of the revision and future years, if the revision affects both current and future years.

2.3 Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at cost. Following initial recognition they are measured at amortised cost, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of the future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and Cash equivalents

Cash and cash equivalents consist of cash at bank, UK treasury bills and US treasury bills which are readily convertible into known amounts of cash at, or close to, their carrying values. The treasury bills are held at cost with accrued interest recorded as interest income in the profit & loss account.

Trade and other creditors

Trade and other creditors are recognised at amortised cost. Their fair value is assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments.

2.4 Amounts due from members

Amounts paid to and/or on behalf of members, which are repayable on demand and remain outstanding as at the year-end are disclosed as "Amounts due from members".

2.5 Members' capital

Members' capital is classified as equity as members are only entitled to a repayment of capital in accordance with the LLP's partnership agreement and with the prior consent of the Board.

2.6 Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Differences on currency translation are recognised in the profit and loss account.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling using the closing exchange rate. Income and expenses are translated using the average rate for the period. Exchange differences arising on the translation of group companies are recognised in other comprehensive income.

COREMONT LLP

Annual Report and Consolidated Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

2.7 Pension

Some of the companies in the group operate a defined contribution pension scheme. Contributions are recognised when they fall due.

2.8 Other financial instruments

The LLP has entered into foreign currency forward contracts in order to manage its exposure to foreign currency risk. These contracts are measured at fair value at the foreign exchange forward rates ruling at the end of the reporting period and any gains or losses are recognised in the profit and loss.

2.9 Taxation

No provision has been made for current or deferred tax in the financial statements. Each member of the LLP is liable for any tax liabilities arising out of their interest in the LLP.

2.10 Leases

Rentals under operating leases are charged on a straight line basis over the lease term, even if payments are not made on such a basis.

2.11 Investments in subsidiaries

In the LLP's individual accounts, investments are recorded at historical cost, with the exception of any investments which are felt to be impaired and are reflected at their expected realisable value. Impairment reviews are made on an annual basis. Any gains or losses on disposal are recognised in the profit and loss account.

2.12 Fixed Assets

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment. Depreciation is provided on tangible fixed assets on a straight-line basis over 36 months (IT equipment) and 60 months (fixtures and fittings and leasehold improvements).

The actual lives of the tangible assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

COREMONT LLP
Annual Report and Consolidated Financial Statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

3. Profit before remuneration charged as an expense

This is stated after charging:

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Auditor's remuneration				
Audit of annual accounts	24,500	13,000	15,500	13,000
Tax advisory services	19,500	-	18,000	-
	<u>44,000</u>	<u>13,000</u>	<u>33,500</u>	<u>13,000</u>

4. Tangible Fixed assets

	Group Fixtures and fittings £	Group IT equipment £	Group Total £
Cost			
At 1 April 2019	-	-	-
Additions	23,432	21,509	44,941
Disposals	-	-	-
At 31 March 2020	<u>23,432</u>	<u>21,509</u>	<u>44,941</u>
Accumulated depreciations			
At 1 April 2019	-	-	-
Charge for the period	4,686	7,170	11,856
Disposals	-	-	-
At 31 March 2020	<u>4,686</u>	<u>7,170</u>	<u>11,856</u>
Net book value at 1 April 2019	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at 31 March 2020	<u>18,746</u>	<u>14,339</u>	<u>33,085</u>

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5. Debtors and prepayments

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Trade debtors	47,273	-	47,273	-
Rent deposit	12,633	12,025	-	-
Amounts due from members	8,902,706	7,887,011	8,902,706	7,887,011
Amounts due from related parties	-	-	40,504	68,123
Other debtors	40,040	44,584	379	6,738
Prepayments and accrued income	<u>33,778</u>	<u>44,257</u>	<u>54,075</u>	<u>21,384</u>
	<u>9,036,430</u>	<u>7,987,877</u>	<u>9,044,937</u>	<u>7,983,256</u>

6. Creditors: amounts falling due within one year

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Accruals	43,089	25,500	28,000	25,500
Trade creditors	27,106	1,037	2,851	1,037
Amounts due to related parties	15,086	43,707	4,824	200
Other creditors	<u>915,071</u>	<u>33,703</u>	<u>908,164</u>	<u>33,504</u>
	<u>1,000,352</u>	<u>103,947</u>	<u>943,839</u>	<u>60,241</u>

7. Creditors: amounts falling due after one year

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Other creditors	<u>339,088</u>	-	<u>339,088</u>	-
	<u>339,088</u>	-	<u>339,088</u>	-

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8. Creditors: amounts falling due after one year – continued

During the year the LLP entered into a long term financing agreement. The loan of £452,117 is repayable in 4 years and accrues interest at a fixed rate of 2.48% per annum.

Loans due within one year	113,029
Loans due within more than one year but not more than five years	339,088
	<u>452,117</u>

9. Investments

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Coremont Holding (UK) Limited	-	-	8,501	200
	-	-	8,501	200

As at the balance sheet date, the directors do not believe that the market value of the investments is less than cost. As such no impairment provision is required. The directors review the subsidiaries on an annual basis to determine if there is any indication of impairment.

Coremont Holdings (UK) Limited (registered address: 4th Floor Reading Bridge House, George Street, Reading, RG1 8LS) is incorporated in the UK and is wholly owned by the LLP. This entity isn't publicly listed.

Group Undertakings	Country of Incorporation
Coremont Holdings UK Limited	United Kingdom
Coremont (Hong Kong) Limited – held indirectly	Hong Kong
Coremont (US) LLC – held indirectly	USA

All investments in subsidiary undertakings are made by way of ordinary share capital or partnership capital and are 100% owned and/or wholly managed and controlled either directly or indirectly by the Partnership. The results of all subsidiary undertakings have been included within the Group figures presented herein.

Coremont (Hong Kong) Limited is incorporated in Hong Kong. (Registered address: 30th Floor One Taikoo Place, 979 King's Road, Hong Kong. Coremont (US) LLC is incorporated in Delaware, USA (Registered address: 1209 Orange Street, Wilmington, Delaware 19801).

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10. Reconciliation of movements in the group members' other interests and members' total interests

	Members' capital (classified as equity)	Other reserves (classified as equity)	Total equity	Loans and other debts due to/(from) members	Total
	£	£	£	£	£
Balance at 1 April 2019	21,275,883	-	21,275,883	(7,887,011)	13,388,872
Members' remuneration charged as an expense				25,523,766	25,523,766
Capital contributions	8,066,061		8,066,061		8,066,061
Payment of members' remuneration				(25,523,766)	(25,523,766)
Allocations in relation to operating activities		(3,101,765)	(3,101,765)	3,101,765	-
Payment of allocations				(3,101,765)	(3,101,765)
Movement on members' loans and other debts				(1,015,695)	(1,015,695)
Capital contribution reduction	(3,101,765)	3,101,765	-	-	-
Balance at 31 March 2020	<u>26,240,179</u>	<u>-</u>	<u>26,240,179</u>	<u>(8,902,706)</u>	<u>17,337,437</u>
Amounts due from members				(8,902,706)	
At 31 March 2020				<u>(8,902,706)</u>	

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11. Reconciliation of movements in the partnership members' other interests and members' total interests

	Members' capital (classified as equity)	Other reserves (classified as equity)	Total equity	Loans and other debts due to/(from) members	Total
	£	£	£	£	£
Balance at 1 April 2019	21,252,632	-	21,252,632	(7,887,011)	13,365,621
Members' remuneration charged as an expense				25,406,164	25,406,164
Capital contributions	8,066,061		8,066,061		8,066,061
Payment of members' remuneration				(25,406,164)	(25,406,164)
Allocations in relation to operating activities		(3,219,367)	(3,219,367)	3,219,367	-
Payment of allocations				(3,219,367)	(3,219,367)
Movement on members' loans and other debts				(1,015,695)	(1,015,695)
Capital contribution reduction	(3,219,367)	3,219,367	-	-	-
Balance at 31 March 2020	26,099,326	-	26,099,326	(8,902,706)	17,196,620
Amounts due from members				(8,902,706)	
At 31 March 2020				(8,902,706)	

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12. Pension costs

Various companies in the group operate a defined contribution scheme for its employees. The assets of the schemes are held separately from those of the Group in an independently administered fund. Unpaid contributions outstanding at the year-end amounted to £1,247 (2019: nil) at the balance sheet date.

13. Financial instruments

The Group's financial instruments can be analysed as below:

	Group 31 March 2020 £	Group 31 March 2019 £	Partnership 31 March 2020 £	Partnership 31 March 2019 £
Financial instruments measured at fair value	795,135	24,260	719,135	24,260
	<u>795,135</u>	<u>24,260</u>	<u>719,135</u>	<u>24,260</u>

Financial instruments measured at fair value comprise of foreign currency forward contracts. These contracts are measured at fair value at the foreign exchange forward rates ruling at the end of the reporting period.

14. Related parties

The group has entered into a number of transactions with other entities in which Alan Howard, or a trust of which he is a beneficiary, directly or indirectly, holds the majority of the voting rights. These entities are considered related parties and details of the transactions are set out below:

The group provided asset management support services to Brevan Howard Asset Management LLP ("BHAM"). Revenue in relation to these services for the period amounted to £24,956,392 (2019: £21,873,022). At the year end, the group had a debtor balance with BHAM of £26,845 (2019: £0).

The group received a head office support fee from Brevan Howard Capital Management LP amounting to £1,401,820 (2019: £1,824,050). At the year end, none of this balance remained outstanding (2019: none).

BHPSL provided services to the group in return for profit allocations and amounts written off of £25,840,569 (2019: £22,395,867). At the year end, the group had a debtor balance with BHPSL of £8,899,314 (2019: £7,870,681).

Compensation to key management personnel amounted to £2,784,962 (2019: £2,513,317).

The group had debtor balances with designated members of £3,393 (2019: £8,996).

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15. Ultimate controlling party

The immediate controlling party is C1 Holdings Limited. The ultimate controlling party is Queensgate Bank & Trust Company Ltd, 103 South Church Street, Harbour Place, 5th Floor, PO Box 30464, Cayman Islands as trustee of the Alan Howard Interest In Possession Trust.

16. Subsequent events

There are no further events to report subsequent to the balance sheet date.