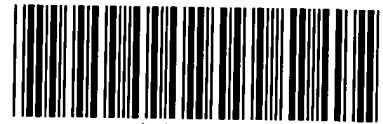


Pharo Management (UK) LLP
Registration Number: OC308276

Members' Report and Financial Statements

For The Year Ended
31 December 2019

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**Pharo Management (UK) LLP
Limited Liability Partnership Information**

Designated members	G Fonkenell Pharo Advisors UK Limited
Limited liability partnership number	OC308276
Registered office	2nd Floor 8 Lancelot Place London SW7 1DR
Auditor	KPMG LLP 15 Canada Square London E14 5GL
Bankers	HSBC Bank Plc 16 King Street Covent Garden London WC2E 8JF Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitor	Simmons & Simmons City Point One Ropemaker Street London EC2Y 9SS

**Pharo Management (UK) LLP
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**Pharo Management (UK) LLP
Members' Report
For the year ended 31 December 2019**

The members present their report and financial statements of Pharo Management (UK) LLP (the 'LLP') for the year ended 31 December 2019.

Principal activities and review of the business

The principal activity of the LLP continued to be that of provision of investment management services. The LLP continues to maintain a healthy balance sheet and the members are optimistic about the breadth of trading and investing opportunities in the coming years. The uncertainty around the UK's exit from the EU has been assessed by the members as posing a minimal risk to the LLP.

Results and distributions

The profit for the year are shown in the profit and loss account on page 8.

Designated Members

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

G Fonkenell
Pharo Advisors UK Limited

Policy on 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 board of the LLP (the "Board"). The Board has the discretion to allow members to make 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 at the discretion of the Board.

Information in relation to members

The average number of members during the year is 5 (2018:6). The share of profit to the member with the highest entitlement is £56,038,807 (2018: £64,500,303).

Charitable Donations

During the financial year, the LLP made a charitable donation of £5,000 (2018: £5,311) to UK registered charitable organisations.

Events since the year end and future developments

The members have assessed the impact of the COVID-19 pandemic on the Company and Group considering:

- Cashflow risk;
- Regulatory risk;
- Operational risk; and
- Supply risk.

Stress tests based on downside scenarios considering the above factors indicate the Company and Group will remain profitable with adequate cash inflows and be able to meet its liabilities as they fall due. Due to the nature of the Company, key supplies are easily expected to continue and all Pharo employees are able to operate effectively from home. The members therefore foresee no material risk to the business and determined this would not affect the ability of the Company to continue as a going concern.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the LLP's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the LLP's auditor is aware of that information.

Pharo Management (UK) LLP
Members' Report (continued)
For the year ended 31 December 2019

Pillar 3 Disclosure and Policy

The Internal Capital Adequacy Assessment Process (ICAAP) Pillar 3 Disclosure is available upon request or on our website at www.pharo.com.

Auditor

Pursuant to regulation 36 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006), the auditor will be deemed re-appointed and KPMG LLP will therefore continue in office.

On behalf of the members,



Pharo Advisors UK Limited
Designated Member
Date: 24 April 2020

Pharo Management (UK) LLP

Statement of members' responsibilities in respect of the Members' Report and the financial statements

The members are responsible for preparing the Members' 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 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are 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 those regulations. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Pharo Management (UK) LLP

Opinion

We have audited the financial statements of Pharo Management (UK) LLP ("the LLP") for the year ended 31 December 2019 which comprise the Profit and Loss account, Balance sheet, Statement of changes in Equity, Cash flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model, including the impact of Brexit, and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the LLP will continue in operation.

Other information

The members are responsible for the other information, which comprises the members' report. 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 conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 5, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the LLP'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 they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of 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 LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Allen

Alison Allen (Senior Statutory Auditor)

for and on behalf of KPMG LLP

Chartered Accountants

15 Canada Square

Canary Wharf

London

E14 5GL

24 April 2020

Pharo Management (UK) LLP
Profit and Loss Account
For the year ended 31 December 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
Turnover	2		
Fee income		132,334,696	89,265,658
Expenses			
Administrative expenses		(32,740,406)	(14,238,951)
Operating profit	3, 4	<u>99,594,290</u>	<u>75,026,707</u>
Interest receivable and similar income	5	603,754	447,438
Profit for the financial year before members' remuneration and profit share available for discretionary division among members		<u><u>100,198,044</u></u>	<u><u>75,474,145</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations. There are no items of other comprehensive income other than those passing through the profit and loss account. Accordingly, no statement of comprehensive income is presented.

The notes on page 13 to 18 form an integral part of the accounts.

Pharo Management (UK) LLP
Balance Sheet
As at 31 December 2019

	<i>Notes</i>	<i>2019</i> £	<i>2018</i> £
Current assets			
Debtors	6	106,552,240	63,523,565
Cash and cash equivalents	7	19,460,927	25,694,021
Total current assets		<u>126,013,167</u>	<u>89,217,586</u>
Current Liabilities			
Creditors	8	(10,698,209)	(644,300)
Net current assets		<u>115,314,958</u>	<u>88,573,286</u>
Net assets attributable to members		<u>115,314,958</u>	<u>88,573,286</u>
Represented by:			
Loans and other debts due to members within one year			
Owed in respect of profits		4,369,526	857,312
Members' other interests			
Members' capital classified as equity		2,592,376	2,592,376
Other reserves classified as equity		108,353,056	85,123,598
		<u>115,314,958</u>	<u>88,573,286</u>
Total Members' Interests			
Other amounts due from members		(51,487,488)	(40,996,903)
Loans and other debts due to members		4,369,526	857,312
Members' Other Interests		110,945,432	87,715,974
		<u>63,827,470</u>	<u>47,576,383</u>

The notes on page 13 to 18 form an integral part of the accounts.
Approved by the members and authorised for issue on



Pharo Advisors UK Limited (Designated Member)
Date: 24 April 2020
Registration number: OC308276

Pharo Management (UK) LLP
Statement of Changes in Equity
For the year ended 31 December 2019

	Members' Capital	Other reserves	Total members' other interests	Loans and other debts due to/(from) members	Total members' interests
	£	£	£	£	£
Amount due to members				857,312	
Amount due from members				<u>(40,996,903)</u>	
Balance at 1 January 2019	2,592,376	85,123,598	87,715,974	(40,139,591)	47,576,383
Profit for the financial year available for discretionary division among members	-	100,198,044	100,198,044	-	100,198,044
Drawings	-	-	-	-	-
Allocation of profit	-	(76,968,586)	(76,968,586)	-	(76,968,586)
Repayment to members	-	-	-	3,512,214	3,512,214
Movement on members' loans and other debts	-	-	-	(10,490,585)	(10,490,585)
Balance at 31 December 2019	<u>2,592,376</u>	<u>108,353,056</u>	<u>110,945,432</u>	<u>(47,117,962)</u>	<u>63,827,470</u>
Amount due to members				4,369,526	
Amount due from members (included in debtors)				<u>(51,487,488)</u>	
				<u>(47,117,962)</u>	

During the year, one member left the LLP and their £1,000 capital was returned to them. An existing member introduced an additional £1,000 capital. Hence there was no net movement in members' capital.

The notes on page 13 to 18 form an integral part of the accounts.

Pharo Management (UK) LLP
Statement of Changes in Equity
For the year ended 31 December 2018 (comparative)

	Members' Capital	Other reserves	Total members' other interests	Loans and other debts due to/(from) members	Total members' interests
	£	£	£	£	£
Amount due to members				6,552,876	
Amount due from members				<u>(28,352,941)</u>	
Balance at 1 January 2018	2,592,376	131,894,976	134,487,352	(21,800,065)	112,687,287
Profit for the financial year available for discretionary division among members	-	75,474,145	75,474,145	-	75,474,145
Drawings	-	-	-	-	-
Allocation of profit	-	(122,245,523)	(122,245,523)	-	(122,245,523)
Repayment to members	-	-	-	(6,552,876)	(6,552,876)
Movement on members' loans and other debts	-	-	-	(11,786,650)	(11,786,650)
Members' Interest at 31 December 2018	<u>2,592,376</u>	<u>85,123,598</u>	<u>87,715,974</u>	<u>(40,139,591)</u>	<u>47,576,383</u>
Amount due to members				857,312	
Amount due from members (included in debtors)				<u>(40,996,903)</u>	
				<u>(40,139,591)</u>	

The notes on page 13 to 18 form an integral part of the accounts.

Pharo Management (UK) LLP
Cash Flow Statement
For the year ended 31 December 2019

	<i>Notes</i>	<i>2019</i>	<i>2018</i>
		£	£
Cash flows from operating activities			
Profit for the financial year		100,198,044	75,474,145
Adjustments for:			
Interest receivable and similar income		(603,754)	(447,438)
Foreign exchange losses/(gains)		<u>2,856,367</u>	<u>(1,882,605)</u>
Operating profits before changes in working capital		102,450,657	73,144,102
Increase/(decrease) in creditors		10,053,909	(768,089)
(Increase)/decrease in debtors		(32,538,090)	74,284,293
Drawings and other allocation to members		(76,968,586)	(122,245,522)
Settlement loans due (to)/from members		<u>(6,978,371)</u>	<u>(17,482,214)</u>
Net cash from operating activities		<u>(3,980,481)</u>	<u>6,932,570</u>
Cash flows from investing activities			
Interest receivable and similar income		<u>603,754</u>	447,438
Net cash from investing activities		<u>603,754</u>	<u>447,438</u>
(Decrease)/increase in cash in the year		<u>(3,376,727)</u>	<u>7,380,008</u>
Cash and cash equivalents at 01 January		25,694,021	16,431,408
Effect of exchange fluctuations on cash and cash equivalents		<u>(2,856,367)</u>	1,882,605
Cash and cash equivalents at 31 December	7	<u>19,460,927</u>	<u>25,694,021</u>

The notes on page 13 to 18 form an integral part of the accounts.

Pharo Management (UK) LLP

Notes to the Financial Statements

1. Accounting Policies

a. Compliance with accounting standards

Pharo Management (UK) LLP (the 'LLP') is a limited liability partnership incorporated and domiciled in the UK.

These financial statements were prepared in accordance with *Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014 and the Statement of Recommended Practice (SORP) "Accounting by Limited Liability Partnerships" as issued in July 2014.

The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

b. Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future.

The risks and uncertainties regarding Brexit and COVID-19 are discussed within the Members' Report and Note 12 Subsequent Events.

In determining the appropriateness of the going concern basis of preparation of these financial statements, the Members have made an assessment covering a period of at least 12 months from the date of approval of these financial statements which indicates that, taking account of reasonably possible downside scenarios, the Company will have sufficient funds, to meet its liabilities as they fall due for that period.

In making this assessment the Members have considered the potential impact of the emergence and spread of COVID-19 on the Company's operations, its assets under management upon which basis components of revenue are levied, and on the ability of underlying clients to continue as a going concern and accordingly pay fees as and when they fall due.

Key to this assessment are the following:

- the Company has no third-party debt;
- the Company has a strong liquidity position as of the date of signing of these financial statements; and
- after modelling significant downside scenarios, the company continues to maintain profitability.

c. Accounting convention

The financial statements are prepared under the historical cost convention, except for the investment in liquidity fund which is held at fair value through profit and loss and have been prepared on a going concern basis as discussed above.

d. Turnover

Turnover comprises income from investment management services. Management fees, performance fees and other revenue generated by the group's investment management activities are recognised in the profit and loss account over the period for which these services are provided. Performance fees are only recognised when a reliable estimate can be made for them, which is when the performance period ends. The end of a performance period may be on or before the reporting date.

Pharo Management (UK) LLP
Notes to the Financial Statements (continued)

e. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Fixtures, fittings & equipment	3 years
Computer equipment	3 years
Leasehold improvements	5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the LLP expects to consume an asset's future economic benefits.

f. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account and included in administrative expenses.

g. Members' remuneration

A member's share in the profit or loss for the year is accounted for when profits are allocated. Unallocated profits and losses are included within other reserves. The treatment of members' remuneration in the profit and loss account is determined by reference to the nature of the participation rights that give rise to the remuneration. If the members' remuneration gives rise to a liability it is charged as an expense. Amounts subscribed or otherwise contributed by members are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity capital. Equity capital is any capital that is repayable to the member only at the discretion of the partnership.

h. Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors, except where the effect of discounting would be immaterial.

i. Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement only.

Investments represent shares in a liquidity fund. They are measured initially at fair value, which is normally the transaction price. Subsequent to initial recognition, they are measured at fair value with changes recognised in profit or loss. These shares have daily liquidity and are included as a component of cash and cash equivalents.

j. Interest receivable

Other interest receivable and similar income include interest receivable on funds invested.

Pharo Management (UK) LLP
Notes to the Financial Statements (continued)

k. Deferred bonus

The LLP makes deferred cash bonus awards to some employees. These awards are expensed over three years from the date the award is made to the date the award is paid. Deferred bonus awards are linked to the performance of the Pharo funds during the period.

l. Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Income and Retained Earnings in the periods during which services are rendered by employees.

2. Turnover

The total turnover of the LLP for the year has been derived from its principal activity wholly undertaken in the United Kingdom. Revenue by geographical location is as follows:

	<i>2019</i>	<i>2018</i>
	£	£
Investment management fees		
Jersey	43,927,239	89,265,658
United States of America	<u>88,407,457</u>	<u>-</u>
	132,334,696	89,265,658

3. Operating profit

	<i>2019</i>	<i>2018</i>
	£	£
Operating profit is stated after charging:		
Losses/(gains) on foreign exchange transactions	2,856,367	(1,882,605)
Auditor's remuneration		
- Statutory audit	24,250	23,500
- Tax compliance services	5,500	5,250
- Other tax advisory services	<u>64,400</u>	<u>-</u>

4. Staff costs

	<i>2019</i>	<i>2018</i>
	£	£
Wages and salaries, including bonus	8,791,233	-
Social security costs	1,215,210	-
Pension costs	7,333	-
	<u>10,013,776</u>	<u>-</u>

The average number of employees during the year was 1 (2018: nil).

Pharo Management (UK) LLP
Notes to the Financial Statements (continued)

5. Other interest receivable and similar income

	<i>2019</i>	<i>2018</i>
	£	£
Interest receivable on cash and cash equivalents	<u>603,754</u>	<u>447,438</u>
Total interest receivable and similar income	<u>603,754</u>	<u>447,438</u>

6. Debtors

	<i>2019</i>	<i>2018</i>
	£	£
Amount due from members	51,487,488	40,996,903
Other debtors	84,692	71,039
Amount owed by group undertakings	81,298	22,233,625
Amount owed by related parties	54,657,268	-
Prepayments and accrued income	241,494	221,998
	<u>106,552,240</u>	<u>63,523,565</u>

Debtors include prepayments and accrued income of £nil (2018: £nil) due after more than one year.

7. Cash and cash equivalents

	<i>2019</i>	<i>2018</i>
	£	£
Cash at bank and in hand	5,885,094	15,662,206
Investments in liquidity funds	<u>13,575,833</u>	<u>10,031,815</u>
Cash and cash equivalents per cash flow statement	<u>19,460,927</u>	<u>25,694,021</u>

8. Creditors

	<i>2019</i>	<i>2018</i>
	£	£
Trade creditors	(904,913)	(577,567)
Other taxes and social security costs	(22,050)	-
Amount owed to group undertakings	-	(43,233)
Accruals and deferred income	(9,771,246)	(23,500)
	<u>(10,698,209)</u>	<u>(644,300)</u>

9. Pension contributions

The LLP operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the LLP in an independently administered fund. The total expense relating to these plans in the current year was £7,333 (2018: £nil). The pension contributions payable as at 31 December 2019 was £2,133 (2018: £nil) and are included within Trade Creditors in note 8.

Pharo Management (UK) LLP
Notes to the Financial Statements (continued)

10. Related Party Transactions

Pharo Management L.P (formerly Pharo Management LLC) a company incorporated in the United States of America, is a related party by virtue of the fact that Mr G Fonkenell is the majority shareholder in that company.

Pharo Advisors UK Limited, a company incorporated in England and Wales, is a related party by virtue of its position as a corporate and designated member of Pharo Management (UK) LLP.

Pharo Global Advisors Limited, a company incorporated in Jersey, is a related party by virtue of the fact that Mr G Fonkenell is the majority shareholder in that company. All of the fee income of the limited liability partnership was derived from Pharo Global Advisors Limited until 12 August 2019.

Pharo Management (HK) Ltd, a company incorporated in Hong Kong, is a related party by virtue of the fact that Pharo Global Advisors Limited is the 100% owner of the entity.

Pharo Management Inc, incorporated in the United States of America, is a related party by virtue of its sole shareholder being Pharo Management L.P and the fact that Mr G Fonkenell is the ultimate controlling shareholder in that company. All of the fee income of the limited liability partnership was derived from Pharo Management Inc after 12 August 2019.

During the year, management and performance fees were received for the provision of investment management services amounting to £132,334,696 (2018: £89,265,658). An amount of £54,697,722 has been accrued as due to the LLP as at 31 December 2019 (2018: £22,175,221) in relation to fees.

During the year, the LLP entered into the following material related party transactions:

	<i>2019</i>	<i>2018</i>
	£	£
Investment management fees		
Pharo Global Advisors Limited	43,927,239	89,265,658
Pharo Management Inc	<u>88,407,457</u>	<u>-</u>
	132,334,696	89,265,658

The outstanding balances between related parties at balance sheet date are as follows

	<i>2019</i>	<i>2018</i>
	£	£
Amount due from ultimate holding company	-	22,175,221
Amount due from fellow subsidiaries	81,298	15,171
Amount due from related parties	54,657,268	-

All members who have authority and responsibility for planning, directing and controlling the activities of the LLP are considered to be key management personnel. Total remuneration in respect of these individuals is £56,038,807.

Pharo Management (UK) LLP
Notes to the Financial Statements (continued)

11. Control

Pharo Advisors UK Limited, a company incorporated in the United Kingdom, has contributed the largest proportion of capital to Pharo Management (UK) LLP. The parent company of Pharo Advisors UK Limited is Pharo Global Advisors Limited, a company incorporated in Jersey. Mr G Fonkenell holds a majority of the voting rights in Pharo Management (UK) LLP and is the beneficial owner of Pharo Global Advisors Limited.

12. Subsequent events

As detailed in the Members' Report and note 1b above, the COVID-19 pandemic has not had a material effect on the balance sheet of the Company as at the time of this report.