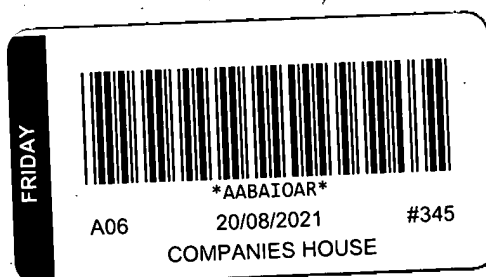


Registered number: 07377274

Man Global Private Markets (UK) Limited
Annual Report and Financial Statements
for the year ended 31 December 2020



Man Global Private Markets (UK) Limited

Company Information

Directors	VC Balshaw T I M Cruickshank M D Jones
Company secretary	T I M Cruickshank E A Woods
Registered number	07377274
Registered office	Riverbank House 2 Swan Lane London EC4R 3AD
Independent auditor	Deloitte LLP 1 New Street Square London EC4A 3HQ

Man Global Private Markets (UK) Limited

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Strategic Report

For the year ended 31 December 2020

The directors of Man Global Private Markets (UK) Limited (the "Company") present their Strategic report, together with the Directors' report and audited financial statements of the Company for the year ended 31 December 2020.

Principal activities and review of the business

During the year there were no significant changes to the principal activities of the Company which consisted of the provision of investment advisory services.

The loss for the year, after taxation, amounted to \$2,305,000 (2019: \$881,000). As at 31 December 2020 the Company had net assets of \$5,376,000 (2019: \$3,681,000).

An overview of the strategy of Man Group plc and its subsidiaries (the "Group") is set out in the Group's 2020 Annual Report (which does not form part of this report) on pages 14-15 and in the Chief Executive's Review on pages 16-19. Consideration of the impact of Brexit to the Group and its subsidiaries is set out in the Market environment and Risk management sections of the Group's 2020 Annual Report on pages 12 and 31 respectively. As at the date of signing, no change is required to this assessment.

Going concern

After making reasonable enquires the directors have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis. The going concern disclosure for the Group can be found on page 135 of the Group's 2020 Annual Report.

Principal risks and uncertainties

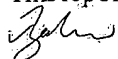
The directors consider the principal risks of the Company to be consistent with those identified at Group level and managed by the directors of Man Group plc. For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of Man Group plc, which include those of the Company, are discussed in the Group's 2020 Annual Report on pages 30-37 (which does not form part of this report).

During the 12 months ended 31 December 2020 and the subsequent period up to the date of approval of the financial statements, the COVID-19 pandemic has caused extensive disruption to businesses and economic activities globally. Although COVID-19 has not had a significant or ongoing adverse impact on the Company to date, its impact on the Company's operating arrangements, including access to capital and liquidity, is subject to ongoing review by the Company's directors and senior management. This includes assessment of company-specific factors and of the Group's medium-term financial plan and capital and liquidity plan, which are built by aggregating the expected business performance across the Group and include rigorous downside scenario testing. The Group continues to have a strong cash and capital position, and its business typically has a good conversion of profits into cash flows, which helps protect the business in stressed scenarios. The directors consider that the Company is well placed to manage business and financial risks in the current economic environment and consider that the Company's longer-term success and sustainability will not be materially affected by the pandemic.

Key performance indicators ("KPIs")

The directors of the Company consider its operations to be consistent with those at Group level which are managed by the directors of Man Group plc. For this reason, the Company's directors believe that an analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group's asset management business, which includes the Company, is discussed in the Chief Executive Officer's Review on pages 16-19, the Key Performance Indicators section on pages 22-23 and in the Chief Financial Officer's Review on pages 24-29 of the Group's 2020 Annual Report (which does not form part of this report).

This report was approved by the Board and signed on its behalf.



V C Balshaw

Director

Date: 23 April 2021

Directors' Report

For the year ended 31 December 2020

Results and dividends

The loss for the year, after taxation, amounted to \$2,305,000 (2019: \$881,000). During the year the Company did not declare or pay any dividends (2019: \$NIL). The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2020 (2019: \$NIL).

Directors

The following individuals served as directors of the Company for the duration of the year and up to the date of approval of this report.

V C Balshaw

T I M Cruickshank

M D Jones

Qualifying third party indemnity provisions

During the year the existing and former directors of the Company benefited from a qualifying third party indemnity provision and this remains in force at the date of this report. The indemnity is provided by another company within the Group and covers, to the extent permitted by law, any third party liabilities which directors may incur as a result of their service on the Board.

Future developments

The directors do not expect any development in the Company's business in the current year to be significantly different from its present activities.

Events since the end of the year

Events affecting the Company which have occurred since 31 December 2020 are disclosed in Note 16 to the financial statements of the Company.

Financial instruments

The directors consider the financial risks of the Company to be consistent with those identified at Group level and managed by the directors of Man Group plc. For this reason, the Company's directors believe that a discussion of the Company's financial risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal financial risks of Man Group plc, which include those of the Company, are discussed in notes 12 and 25 of the Group's 2020 Annual Report on pages 144 and 160 respectively (which do not form part of this report).

Energy and Carbon Reporting

The Company is exempt from preparing energy and carbon disclosures as set out in The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the 'Regulations'), which apply for accounting periods commencing on or after 1 April 2019, in accordance with 20A(2) of Part 7A of the regulations.

Auditor

Deloitte LLP was reappointed as auditor of the Company and the Group for the year ended 31 December 2020. Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Directors' Report (continued)

For the year ended 31 December 2020

Disclosure of information to auditor

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

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report was approved by the Board and signed on its behalf.



V C Balshaw

Director

Date: 23 April 2021

**Directors' Responsibilities Statement
For the year ended 31 December 2020**

The directors are responsible for preparing the Directors' Report, Strategic Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law the directors 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 Company and of the profit or loss of the Company 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 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors have general responsibility for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Man Global Private Markets (UK) Limited

Report on the audit of financial statements

Opinion

In our opinion the financial statements of Man Global Private Markets (UK) Limited ('the Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the Companies Act 2006.

We have audited the financial statements of the Company which comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council (the 'FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Man Global Private Markets (UK) Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent Auditor's Report to the Members of Man Global Private Markets (UK) Limited (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter van Daesdonk (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 23 April 2021

Man Global Private Markets (UK) Limited

Profit and Loss Account

For the year ended 31 December 2020

	Note	2020 \$000	2019 \$000
Turnover	4	12,269	11,691
Cost of sales		(8,354)	(8,307)
Gross profit		3,915	3,384
Administrative expenses		(6,765)	(4,531)
Other operating income/(expense)	5	12	(19)
Operating loss	7	(2,838)	(1,166)
Interest receivable and similar income	6	42	104
Loss before tax		(2,796)	(1,062)
Tax on loss	10	491	181
Loss for the financial year attributable to owners of the Company		(2,305)	(881)

All amounts relate to continuing operations.

There were no recognised gains and losses for the current and prior year other than those included in the Profit and Loss Account and hence a statement of comprehensive income has not been prepared.

The notes on pages 11 to 21 form part of these financial statements.

Man Global Private Markets (UK) Limited

Balance Sheet

As at 31 December 2020

Registered number: 07377274

	Note	2020 \$000	2019 \$000
Current assets			
Debtors: amounts falling due after more than one year	11	-	445
Debtors: amounts falling due within one year	11	<u>10,207</u>	<u>6,413</u>
		10,207	6,858
Creditors: amounts falling due within one year	12	<u>(4,831)</u>	<u>(3,177)</u>
		(4,831)	(3,177)
Net current assets		5,376	3,681
Total assets less current liabilities		<u>5,376</u>	<u>3,681</u>
Net assets		<u>5,376</u>	<u>3,681</u>
Capital and reserves			
Called-up share capital	14	9,119	5,119
Profit and loss account		<u>(3,743)</u>	<u>(1,438)</u>
		<u>5,376</u>	<u>3,681</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



V C Balshaw

Director

Date: 23 April 2021

The notes on pages 11 to 21 form part of these financial statements.

Man Global Private Markets (UK) Limited

Statement of Changes in Equity For the year ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	(Note 14)		
	\$000	\$000	\$000
At 1 January 2019	3,033	(557)	2,476
Loss for the year	-	(881)	(881)
Issue of share capital (Note 14)	2,086	-	2,086
At 31 December 2019	5,119	(1,438)	3,681
Loss for the year	-	(2,305)	(2,305)
Issue of share capital (Note 14)	4,000	-	4,000
At 31 December 2020	9,119	(3,743)	5,376

The notes on pages 11 to 21 form part of these financial statements.

Man Global Private Markets (UK) Limited

Notes to the Financial Statements

For the year ended 31 December 2020

1. General information

The Company was incorporated under the Companies Act 2006 and registered in England and Wales as a private company limited by shares on 15 September 2010. The Company's registered office address is Riverbank House, 2 Swan Lane, London, EC4R 3AD.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

2. Basis of Preparation of Financial Statements

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

2.1 Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has prepared the financial statements in line with FRS 101 (Financial Reporting Standard 101) as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to fair value measurement, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets, related party transactions and revenue from contracts with customers. Where required, equivalent disclosures are given in the group accounts of Man Group plc.

The Company's ultimate parent undertaking, Man Group plc includes the Company in its consolidated financial statements. The consolidated financial statements of Man Group plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are publicly available and may be obtained from the address given in Note 18.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

2.2 Impact of new international reporting standards, amendments and interpretations

The following accounting standards relevant to the Company's operations were effective for the first time in the year to 31 December 2020. Their adoption has not had a significant impact on these financial statements:

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors': definition of material; and
- Amendments to References to the Conceptual Framework in IFRS Standards.

The following standards are relevant to the Company's operations and have been issued by the IASB but are not yet mandatory and have not been early adopted by the Company:

- Amendments to IAS 1 'Presentation of Financial Statements': classification of liabilities as current or non-current;

Notes to the Financial Statements

For the year ended 31 December 2020

2. Basis of preparation of financial statements (continued)

2.2 Impact of new international reporting standards, amendments and interpretations (continued)

- Amendments to IAS 16 'Property, Plant and Equipment': property, plant and equipment – proceeds before intended use; and

- Annual Improvements to IFRS Standards 2018-2020 Cycle: amendments to IFRS 1 first-time adoption of International Financial Reporting Standards, IFRS 9 'Financial Instruments', IFRS 16 and IAS 41 'Agriculture'.

No other standards or interpretations issued and not yet effective are expected to have an impact on the Company's financial statements.

2.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.5 Turnover

Fee income is the Company's primary source of revenue, which is derived from the investment management agreements in place with the fund entities. Management fees net of rebates, which include all non-performance related fees, are recognised in the year in which contractual investment management services are provided and do not include any other performance obligations. Fees are generally based on an agreed percentage of the valuation of funds under management and are typically charged in arrears.

Performance fees net of rebates relate to the performance of the funds managed during the year and are recognised when the performance obligation has been met, whereby the fee has crystallised and can be reliably estimated.

Notes to the Financial Statements
For the year ended 31 December 2020

2. Basis of preparation of financial statements (continued)

2.5 Turnover (continued)

This is generally at the end of the performance period or upon early redemption by a fund investor. Until the performance period ends market movements could significantly move the net asset value (NAV) of the fund products. The Company will typically only earn performance fees on any positive investment returns in excess of the high-water mark, meaning it will not be able to earn performance fees with respect to positive investment performance in any year following negative performance until that loss is recouped, at which point a fund investor's investment surpasses the high-water mark. Once crystallised, performance fees typically cannot be clawed back. There are no other performance obligations or services provided which suggest these have been earned either before or after crystallisation date.

The Company manages, operates and reports turnover as a single business segment.

2.6 Cost of sales

Cost of sales comprises third party administration fees and amounts recharged by other group undertakings in respect of delegated investment management services, which are recognised as incurred.

2.7 Interest income

Interest income is recognised using the effective interest rate method. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset. For financial assets that have been impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired the interest income calculation reverts to the gross carrying amount.

2.8 Other operating income/(expense)

Other operating income/(expense) principally comprises foreign exchange gains and losses and is recognised as earned.

2.9 Administrative expenses

Administrative expenses comprise amounts incurred in the operations of the business, including amounts recharged by other group undertakings, and are recognised as incurred.

2.10 Pension costs

For defined contribution schemes the amount charged to the Profit and Loss Account in respect of pension costs and other post-retirement benefits is the contributions payable in the year.

Man Group plc, the ultimate parent undertaking, operates a group defined benefit pension scheme. This plan is closed to future accruals and there have been no contributions to the scheme in the current or prior years.

2.11 Foreign currency

The financial statements are presented in United States Dollars (USD), which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are

Notes to the Financial Statements

For the year ended 31 December 2020

2. Basis of preparation of financial statements (continued)

2.11 Foreign Currency (continued)

reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

2.12 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities

All financial assets and liabilities are recognised and derecognised on a trade date, being the date on which the Company commits to purchase or sell the asset or liability. Financial assets are derecognised only when the contractual rights to the cash flows from the asset have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. Any gain or loss arising on derecognition of a financial asset or liability is recognised directly in profit or loss.

Financial assets and liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities classified as at fair value through profit or loss ("FVTPL"), which are initially measured at fair value. Transaction costs of financial assets and liabilities carried at FVTPL are expensed in profit or loss.

The Company's financial assets and liabilities are measured subsequently at amortised cost or at FVTPL depending on the classification of the financial assets and liabilities, with classification determined at the time of initial recognition.

Financial assets and liabilities at amortised cost

Trade and other receivables and trade and other payables are subsequently measured at amortised cost using the effective interest method. Interest income and expense is recognised by applying the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the instrument or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets and liabilities at FVTPL

Financial assets and liabilities at FVTPL are measured at fair value, with gains or losses arising on remeasurement recognised in profit or loss and presented within Other operating income in the Profit and Loss Account.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows.

- The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of derivative instruments are calculated using observable prices.

Notes to the Financial Statements

For the year ended 31 December 2020

2. Basis of preparation of financial statements (continued)

2.13 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with its financial assets. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. For internal credit risk management, the Company considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors.

Additionally the Company measures the loss allowance on its financial assets other than trade and other receivables at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. In assessing whether the credit risk has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the date of final recognition and considers both quantitative and qualitative information that is reasonable and supportable in its assessment.

If, at the reporting date, the credit risk on a financial asset other than a trade and other receivable has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL, which represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. The Company uses its historical credit loss experience, adjusted for factors that are specific to the debtor's general economic conditions and an assessment of both the current conditions at the reporting date, as well as the forecast of future conditions in calculating 12-month ECL.

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Any subsequent recoveries are recognised in profit or loss.

2.14 Derivative financial instruments

At times the Company may enter into derivative financial instruments, including foreign exchange forward contracts, to manage its exposure to foreign exchange rate risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

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

The directors have determined that there are no significant areas of judgement or key sources of estimation uncertainty that have a material impact on the Company's financial statements.

Man Global Private Markets (UK) Limited

Notes to the Financial Statements **For the year ended 31 December 2020**

4. Turnover

An analysis of the Company's turnover is as follows:

	2020	2019
	\$000	\$000
Gross management and other fees	12,240	11,689
Performance fees	29	2
	<u>12,269</u>	<u>11,691</u>

Analysis of the Company's turnover by geographical location is set out below, which is based on the registered domicile of the relevant fund entity:

	2020	2019
	\$000	\$000
United Kingdom	595	-
Rest of Europe	1,959	2,375
Rest of the world	9,715	9,316
	<u>12,269</u>	<u>11,691</u>

5. Other operating income/(expense)

	2020	2019
	\$000	\$000
Other income	-	5
Net foreign exchange gains/(losses)	12	(24)
	<u>12</u>	<u>(19)</u>

6. Interest receivable and similar income

	2020	2019
	\$000	\$000
Interest receivable from group companies	42	104
	<u>42</u>	<u>104</u>

7. Operating loss

The operating loss is stated after charging/(crediting):

	2020	2019
	\$000	\$000
Net foreign exchange (gains)/losses	(12)	24
Defined contribution pension costs	-	99
	<u>-</u>	<u>111</u>

Man Global Private Markets (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2020

8. Auditor's remuneration

The Company paid the following amounts to its auditor in respect of the audit of the financial statements:

	2020	2019
	\$000	\$000
Fees for the audit of the Company	60	39
	<u>60</u>	<u>39</u>

9. Employees

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

	2020	2019
	\$000	\$000
Wages and salaries	590	483
Social security costs	128	30
Cost of defined contribution scheme	-	99
	<u>718</u>	<u>612</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020	2019
	No.	No.
Permanent staff	1	1
	<u>1</u>	<u>1</u>

The directors did not receive any remuneration (2019: \$NIL).

10. Taxation

	2020	2019
	\$000	\$000
Corporation tax		
Current tax on loss for the year	(578)	(178)
Adjustments in respect of prior periods	-	19
	<u>(578)</u>	<u>(159)</u>
Total current tax	<u>(578)</u>	<u>(159)</u>
Deferred tax		
Current year	95	2
Changes to tax rates	(8)	7
Adjustments in respect of prior periods	-	(31)
	<u>87</u>	<u>(22)</u>
Total deferred tax (Note 13)	<u>87</u>	<u>(22)</u>
Taxation on loss	<u>(491)</u>	<u>(181)</u>

Notes to the Financial Statements
For the year ended 31 December 2020

10. Taxation (continued)

Factors affecting tax charge for the year

The tax credit assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	\$000	\$000
Loss before tax	(2,796)	(1,062)
Profit multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(531)	(202)
Effects of:		
Expenses not deductible/income not taxable for tax purposes	48	26
Impact of tax rate changes	(8)	7
Adjustments to tax credit in respect of previous periods	-	(12)
Total tax credit for the year	(491)	(181)

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that from April 2020 the new corporation tax rate would remain at 19% (rather than reducing to 17% as previously enacted). This new law was substantively enacted on 17 March 2020.

The deferred tax asset at 31 December 2020 has been calculated based on the rates expected to be applied when the deferred tax asset is realised.

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Man Global Private Markets (UK) Limited

Notes to the Financial Statements **For the year ended 31 December 2020**

11. Debtors

	2020	2019
	\$000	\$000
Due after more than one year:		
Accrued income	-	445
	<u>-</u>	<u>445</u>
Due within one year:		
Trade debtors	121	-
Amounts owed by group undertakings	7,375	3,317
Corporation tax	578	178
Other debtors	-	43
Accrued income	2,122	2,777
Deferred taxation	11	98
	<u>10,207</u>	<u>6,413</u>

Included within Amounts owed by group undertakings are derivatives held with other group undertakings of \$4,000 (2019: NIL). Refer to Note 15 for further details.

12. Creditors: Amounts falling due within one year

	2020	2019
	\$000	\$000
Amounts owed to group undertakings	1,877	1,331
Other taxation and social security	2	2
Accruals and deferred income	2,952	1,844
	<u>4,831</u>	<u>3,177</u>

13. Deferred tax

Deferred tax is provided as follows:

	2020	2019
	\$000	\$000
At beginning of year	98	76
Charged to profit or loss	(87)	(9)
Adjustments in respect of prior year	-	31
	<u>11</u>	<u>98</u>

Man Global Private Markets (UK) Limited

Notes to the Financial Statements

For the year ended 31 December 2020

13. Deferred tax (continued)

The deferred tax asset is made up as follows:

	2020	2019
	\$000	\$000
Fixed assets	10	11
Other temporary differences	1	87
	<u>11</u>	<u>98</u>

14. Share capital

	2020	2019
	\$000	\$000
Allotted, called-up and fully-paid		
7,098,214 (2019: 4,022,001) ordinary shares of £1.00 each	9,119	5,119

On 10 September 2020 the Company issued 3,076,213 ordinary shares at par value, which were translated into USD using the exchange rate on that date, being \$1.3003 to £1. On 30 April 2019 the Company issued 1,600,000 ordinary £1 shares at par value, which were translated into USD at the exchange rate on that date, being \$1.3034 to £1. The Company's issued sterling share capital at 1 January 2017, being the date of the change of the Company's functional currency, was converted into USD at the exchange rate prevailing on that date, being \$1.2357 to £1. The 800,000 shares issued during 2017 were converted at the rate of \$1.2860 to £1, being the prevailing rate at the date of issue.

Man Global Private Markets (UK) Limited

Notes to the Financial Statements For the year ended 31 December 2020

15. Financial Instruments

Categories of financial instruments at fair value

	2020 \$000	2019 \$000
Financial assets at fair value		
Fair value through profit and loss – derivative instruments	4	-
	<hr/> 4	<hr/> -
Changes in value of financial instruments at fair value for the year		
Credit to the profit and loss account	4	-
	<hr/> 4	<hr/> -

16. Post balance sheet event

The COVID-19 global pandemic has continued to cause extensive disruption to businesses and economic activity. The Company continues to monitor any impacts on the business and has not identified any material adjustments to balances included in these financial statements, nor any material impacts on the business, subsequent to the balance sheet date.

17. Related party transactions

The Company has taken advantage of the exemption under the provisions of FRS 101 from disclosing transactions with other wholly-owned Group entities since the Company is a wholly-owned subsidiary of Man Group plc, the consolidated financial statements of which are publicly available.

During the year and the preceding year there have been no transactions with related parties other than the wholly-owned Group entities.

18. Controlling party

In the opinion of the directors, the Company's ultimate parent company and ultimate controlling party is Man Group plc, a company registered in Jersey. The immediate parent undertaking and controlling party is Man Investments Holdings Limited, a company registered in England and Wales.

The smallest and largest group of undertakings that prepares consolidated accounts of which the Company is a member is Man Group plc. The financial statements of the Company are available from the Company's registered office address.

The group financial statements of Man Group plc are available from 22 Grenville Street, St Helier, Jersey, JE4 8PX.