Registered Number: 3093489 (England and Wales)

Report of the Directors and

Consolidated Financial Statements for the year ended 31 December 2021

for

Pictet Asset Management Limited

Pictet Asset Management Limited (Registered number: 3093489)

Contents of the Consolidated and Company Financial Statements for the year ended 31 December 2021

Pictet Asset Management Limited

Company Information
for the year ended 31 December 2021

DIRECTORS:	Richard Heelis Niall Quinn Sebastien Eisinger Raymond Sagayam (appointed 21 April 2022)
SECRETARY:	Nian Lala
REGISTERED OFFICE:	Moor House Level 11 120 London Wall London EC2Y 5ET
REGISTERED NUMBER:	3093489 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

Pictet Asset Management Limited (Registered number: 3093489)

Strategic Report for the year ended 31 December 2021

The Directors present their Strategic Report on the Pictet Asset Management Limited group (the "Group") and Company for the year ended 31 December 2021.

Business Strategy

The strategy of Pictet Asset Management Limited ("PAM Ltd") (the "Company) remains the pursuit of superior performance even if this entails forgoing asset gathering opportunities in products where scale may begin to impede performance. We are dedicated to reach the highest standards in all aspects of asset management and aim to be a world class provider of asset management services to professional investors. The Company's main investments at year-end comprise a wholly owned subsidiary Pictet Asset Management (USA) Corp ("PAM USA") and an investment in Pictet Asset Management (Europe) SA ("PAM(E)SA"). The company at 31st December 2021 also has a Branch, Pictet Asset Management DIFC Branch ("PAM Dubai"), which is in the process of closure expected to be finalised during the first half of 2022. The Group consolidated financial statements is composed of the company stand alone financial statements and its wholly owned subsidiary.

Business Review

The directors have reviewed the development of the business of the Group for the year and the position as at 31 December 2021 and consider them to be satisfactory.

The Group recorded an after-tax profit for the year of £1.7m (2020: profit £16.8m). The net assets of the Group at the year-end are £119.2m compared to £117.3m in 2020. Assets under management (AuM) at year-end are £22.8bn compared to £25.5bn in 2020. Assets under distribution (AuD) at year-end are £10.9bn compared to £9.4bn in 2020.

The net assets of the Company at the year-end are £122.6m compared to £120.8m in 2020.

For the Company's subsidiary PAM USA, the business was set up during 2020. Revenues for 2021 total £9.3m (2020: £0.7m). Expenses for the year total £9.3m (2020: £4.2m), recording a net result of nil (2020: loss £3.5m)

Net Assets under distribution at 31st December 2021 are £7.9bn compared to £7.5bn in 2020.

Income in the form of dividends from the investment in Pictet Asset Management (Europe) SA for 2021 is £17.3m, compared to £17.9m in 2020.

Duty to promote the success of the company

The directors recognise their duty to promote the success of the Group for the benefit of the company and its subsidiary entity's clients, suppliers, employees and its shareholder. The Group adheres to guiding principles set at the Pictet Group level to ensure the highest quality core behaviours of all officers of the subsidiary and associate entities in their relationships with each-other, their clients, their suppliers, the wider community and the environment. The Pictet Group guiding principles are independence, long-term thinking, partnership, responsibility and entrepreneurial spirit. An example of how we use the guiding principle of partnership to benefit our clients, suppliers, employees and shareholder is on our public website we publish that "our purpose is to build responsible partnerships with our clients, colleagues, communities and the companies in which we invest, in order to safeguard and transmit wealth, of all kinds, in the service of the real economy".

The Group considers its impact on the community in which its subsidiary and associate entities operate and on the wider environment, when conducting their activity and when making decisions about the operation of the business of the Group. The directors manage the Group with the focus to continually strive to build and maintain its reputation both at the company and subsidiary entity level and at the Pictet Group level. The directors strive to ensure that the Group acts fairly in all operations both internally and externally. For example, the directors monitor external and regulatory changes in the market and respond accordingly.

Principal risks and uncertainties

The directors are ultimately responsible for the identification and mitigation of risks. The Group has developed a business risk management policy, supported by a business risk management framework, which is designed to identify and assess risks and controls in a consistent manner.

The key risks facing the Group relate to operational risk, the risk of losing assets as a result of significant market events, poor performance or staff turnover in key product areas and the market risk arising from its exposure to non-sterling-based revenue streams.

The Board of Directors considers the key risks that the Group faces both on an on-going basis and formally through the six-monthly risk map process. The risk map is essentially a top-down assessment of the key business, strategic and operational risks facing the Group. Each key risk is assessed in terms of impact and probability and plotted on a matrix. The risk map is discussed by the Board of Directors and follow up actions are identified as appropriate.

The Directors do not deem that any impact from the COVID-19 pandemic should extend beyond the fluctuations in terms of markets and clients' activity. This is demonstrated in and supported by the results reported for 2021. Likewise, the Directors have not encountered nor expect any impact on the business as a result of BREXIT.

Ukraine / Russia crisis

The prevailing extraordinary market conditions as a result of the Russia and Ukraine conflict is closely monitored and followed by Pictet Asset Management.

Pictet Asset Management Limited is part of the relevant committees notably the Risk and Valuation committee to assess the situation and make the appropriate decision on all relevant matters.

Pictet Asset Management Limited considers the crisis to be non-adjusting subsequent events. Accordingly, there is no impact on the balance sheet or statement of comprehensive income for the year ended 31 December 2021.

Future outlook

Following the transfer of UK based USA sales team to PAM USA from PAM Ltd during 2021 the New York office is fully operational. The move and set up of employees alongside the external environment dominated by market uncertainty, the results shown in the financial statements for 2021 were anticipated. The results for 2021 show a profit of £1.7m (2020: profit £16.8m). We believe the group is well placed to face future challenges as part of the wider Pictet Asset Management group with its continued focus on the core business of asset management. Regarding the future outlook of the company, please also refer to the strategic report to the year ended 2021.

ON BEHALF OF THE BOARD:

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Niall Quinn
Director
26th April 2022

Pictet Asset Management Limited (Registered number: 3093489)

Report of the Directors for the year ended 31 December 2021

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2021.

Principal Activities

The principal activities of the Group is to provide discretionary investment management services to institutional clients. This includes management of retirement plan assets for corporate and government entities, foundations, and other institutional investors. Furthermore, the Company acts as the investment adviser or sub-adviser to a wide range of collective investment schemes. Distribution activity to the U.S. market is carried out by the subsidiary PAM USA.

The Group is regulated by the Financial Conduct Authority ("FCA").

Financial risk management

Credit risk for the Group principally takes the form of debtors and cash deposits. The Group has not experienced any bad debt problems and has not written off any fee income receivables for the year ended 31st December 2021 (2020: no receivable written off).

The Group does not carry out any principal trading activities but does have indirect exposure to market risk as management fee income is based on funds under management. The Group also has an exposure to foreign exchange risks largely as a result of fee income denominated in foreign currencies. The Group's policy in regard to foreign currency balances is to maintain sufficient balances in order to pay foreign currency invoices as they fall due but to otherwise convert all foreign currency receipts regularly into local currency. Stress testing of market risk is carried out as part of PAM Ltd's Internal Capital Adequacy and Risk Assessment process ("ICARA") under the UK Investment Firm Prudential Regime.

The Group's financial resources are managed to ensure that sufficient funds are retained to meet short-term liabilities, i.e. to manage liquidity risks. PAM Ltd's capital requirement is assessed and managed via the ICARA.

Pillar III

In accordance with the rules of the FCA, the Group has published information on its risk management objectives and policies, and on its regulatory capital requirements and resources. This information is published on the corporate website (www.pictet.com).

Dividends

The directors do not recommend payment of a dividend (2020: £nil).

Disabled employees

The group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Employee involvement

From the perspective of the board, we follow the lead the Pictet group board sets in respect of the group's employees, including engaging with them, having regard to their interests and the effect of that regard. Our ethos of diversity also goes hand in hand with inclusion – that is, making each employee feel valued and giving each a voice in daily business. For example, during 2021, the Pictet Group conducted an all employee engagement survey around employees feelings on the new working environment due to the COVID-19 pandemic. A high volume of engagement and responses were received. Results are being analysed closely, and the Executive Committee of PAM have taken the results as agenda items to be fully considered in the development of future policies. The group provides employees with information through the quarterly newsletter 'Inside Out'. All group employees have access to the group Intranet where there are regular updates.

Going Concern

As an asset manager, the performance of the financial markets does impact the value of net assets under management which in turn impacts its revenues. Whilst the volatility witnessed during 2021 was sometimes extreme, the group was well positioned in dealing with the associated market movements, as seen in the results for the year. The group's strong balance sheet position contributed to this.

During 2021 the group recorded a profit of £1.7m (2020: profit of £16.8m).

The group's business activities, together with the factors likely to affect its future development, performance and position and its financial risk management objectives are included in the Strategic Report. The Directors are confident that the group has adequate resources to continue in operational existence for the foreseeable future, supported by the profit realised in 2021. Whilst an operating loss is reflected in the Financial Statements, the Directors remain confident that the investments made into the resources of the entity will sustain the business through the coming periods.

Directors

The directors of the company who held office during the year and up to the date of signing the financial statements are listed below:

Name	Nationality
Sebastien Eisinger	Swiss
Niall Quinn	British
Richard Heelis	British
Raymond Sagayam (appointed 21 April 2022)	British

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Streamlined Energy and Carbon Reporting (SECR)

The Group has adopted the reporting requirements of the Streamlined Energy and Carbon Reporting (SECR) policy as implemented by the government and with effect for financial years commencing after 1 January 2020. It is therefore the Group's second year reporting under the SECR regime.

The energy consumption has been calculated via an aggregation of monthly usage data provided by the electricity supplier. The carbon calculations have been extracted from our Group Information tool which contains details of all travellers, their class of travel and miles covered.

Emission data for the financial year ended 31 December 2021

- Electricity consumption 2021: 786,624 kWh (2020: 803,744 kWh), that is 505t CO_2 (2020: 529t CO_2)
- Business Travels 2021: 397,956 pkm (2020: 1,234,401 pkm) that is 98t CO_2 (2020: 422t CO_2)

The Group does not operate any vehicles, including those used for transportation.

Emissions Intensity Ratio (Co2e tonnes per member of staff): 2.16:1 (2020: 2.96:1)

We believe number of staff is an appropriate business specific metric for calculating the Emissions Intensity Ratio, as it is the main driver of our energy consumptions and, therefore, emission.

The Group is aware of its duty to reduce its impact on the environment and will continue to make efforts with the goal of reducing its carbon footprint where it realistically can.

Pictet Asset Management Limited (Registered number: 3093489)

Report of the Directors for the year ended 31 December 2021 (continued)

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

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Niall Quinn
Director
26th April 2022

Independent auditors' report to the members of Pictet Asset Management Limited
Report on the audit of the financial statements

Opinion

In our opinion, Pictet Asset Management Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2021 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the Directors and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated Balance Sheet and Company Balance Sheet as at 31 December 2021; the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

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.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority ('FCA'), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to Posting inappropriate journal entries to revenue. Audit procedures performed by the engagement team included:

- Enquiries with management, compliance and legal, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing relevant meeting minutes, including those of the Board;
- Reviewing FCA correspondence, FCA capital submissions, complaints register and breaches log for instances of non-compliance with laws and regulations;

- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Identifying and testing journal entries.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jamie Smith

Jamie Smith (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
27 April 2022

Pictet Asset Management Limited (Registered number: 3093489)

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2021

	Note	2021	2020 (restated)
		£	£
Turnover	5	**173,630,586**	182,854,212
Administrative expenses	21	**(190,751,822)**	(183,538,558)
Operating loss	7	**(17,121,236)**	(684,346)
Income from shares in group undertaking	8	**17,334,554**	17,922,094
Profit / (Loss) before interest and taxation		**213,318**	17,237,748
Other interest receivable and similar income		**3,917**	2,625
Finance costs		**(298,333)**	(300,000)
(Loss) / Profit before taxation		**(81,098)**	16,940,373
Tax on (Loss) / Profit	9	**1,783,519**	(172,698)
Profit for the financial year		**1,702,421**	16,767,675
Other comprehensive income / (expense)		**206,825**	(31,339)
Total comprehensive income		**1,909,246**	16,736,336

Results for 2020 and 2021 derive from continuing operations. The notes on pages 16 to 26 form part of these financial statements

Pictet Asset Management Limited (Registered number: 3093489)

Consolidated Balance Sheet
as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	2,178,721	2,444,188
Investments	11	26,153,708	26,153,708
		28,332,429	28,597,896
Current assets			
Debtors	12	72,600,288	86,344,431
Cash at bank and in hand		138,764,600	120,332,215
		211,364,888	206,676,646
Creditors			
Amounts falling due within one year	13	(91,118,246)	(93,531,581)
Net current assets		120,246,642	113,145,065
Total assets less current liabilities		148,579,071	141,742,961
Creditors			
Amounts falling due after more than one year	14	(29,335,549)	(24,408,685)
Net assets		119,243,522	117,334,276
Capital and reserves			
Called up share capital	15	45,000,000	45,000,000
Retained earnings	16	74,243,522	72,334,276
Total equity	18	119,243,522	117,334,276

The financial statements on pages 10 to 26 were approved for issue by the Board of Directors on 26th April 2022 and were signed on its behalf by:

Niall Quinn
Director
26th April 2022

Pictet Asset Management Limited (Registered number: 3093489)

Company Balance Sheet
as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	**1,591,255**	1,775,323
Investments	11	**34,672,888**	29,371,516
		36,264,143	31,146,839
Current assets			
Debtors	12	**65,492,135**	86,090,834
Cash at bank and in hand		**134,997,938**	119,888,927
		200,490,073	205,979,761
Creditors			
Amounts falling due within one year	13	**(85,065,895)**	(91,874,780)
Net current assets		**115,424,178**	114,104,981
Total assets less current liabilities		**151,688,321**	145,251,820
Creditors			
Amounts falling due after more than one year	14	**(29,134,557)**	(24,408,685)
Net assets		**122,553,764**	120,843,135
Capital and reserves			
Called up share capital	15	**45,000,000**	45,000,000
Retained earnings	16	**77,553,764**	75,843,135
Total equity	18	**122,553,764**	120,843,135

As permitted by s408 of the Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income as it prepares consolidated financial statements. The Company's profit for the year was £1,706,267 (2020: £20,226,691) and the Company's total comprehensive income for the year was £1,710,629 (2020: £20,245,195). The financial statements on pages 10 to 26 were approved for issue by the Board of Directors on 26th April 2022 and were signed on its behalf by:

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Niall Quinn
Director
26th April 2022

The notes form part of these financial statements

Pictet Asset Management Limited (Registered number: 3093489)

Consolidated Statement of Changes in Equity
for the year ended 31 December 2021

	Called-up share capital	Retained earnings	Total Equity
	£	£	£
Balance as at 01 January 2020	45,000,000	55,597,940	100,597,940
Profit for the financial year	-	16,767,675	16,767,675
Translation reserve	-	(31,339)	(31,339)
Total comprehensive income for the year	-	16,736,336	16,736,336
Balance as at 31 December 2020	45,000,000	72,334,276	117,334,276
Balance as at 01 January 2021	**45,000,000**	**72,334,276**	**117,334,276**
Profit for the financial year	-	**1,702,421**	**1,702,421**
Translation reserve	-	**206,825**	**206,825**
Total comprehensive income for the year	-	**1,909,246**	**1,909,246**
Balance as at 31 December 2021	**45,000,000**	**74,243,522**	**119,243,522**

The notes on pages 16 to 26 form part of these financial statements

Pictet Asset Management Limited (Registered number: 3093489)

Company Statement of Changes in Equity
for the year ended 31 December 2021

	Called up share capital	Retained earnings	Total Equity
	£	£	£
Balance as at 01 January 2020	45,000,000	55,597,940	100,597,940
Profit for the financial year	-	20,226,691	20,226,691
Translation reserve	-	18,504	18,504
Total comprehensive income for the year	-	20,245,195	20,245,195
Balance as at 31 December 2020	45,000,000	75,843,135	120,843,135
Balance as at 01 January 2021	**45,000,000**	**75,843,135**	**120,843,135**
Profit for the financial year	-	**1,706,267**	**1,706,267**
Translation reserve	-	**4,362**	**4,362**
Total comprehensive income for the year	-	**1,710,629**	**1,710,629**
Balance as at 31 December 2021	**45,000,000**	**77,553,764**	**122,553,764**

The notes on pages 16 to 26 form part of these financial statements

Pictet Asset Management Limited (Registered number: 3093489)

Consolidated Statement of Cash Flows
for the year ended 31 December 2021

	Note	2021	2020
		£	£
Net cash from operating activities	20	**12,211,288**	(9,592,040)
Tax paid		**(155,294)**	-
Net cash generated / (used in) from operating activities		**12,055,994**	(9,592,040)
Cash flow generated from investing activities			
Purchase of tangible assets		**(962,080)**	(1,992,084)
Interest received		**3,917**	2,625
Dividends received from associate		**17,334,554**	17,922,094
Net cash generated from investing activities		**16,376,391**	15,932,635
Cash flow used in financing activities			
Subordinated Loan repaid		**(10,000,000)**	-
Net cash used in financing activities		**(10,000,000)**	-
Net increase / (decrease) in cash and cash equivalents		**18,432,385**	6,340,595
Cash and cash equivalents at the beginning of the year		**120,332,215**	113,991,620
Cash and cash equivalents at the end of the year		**138,764,600**	120,332,215

1. **General Information**

Pictet Asset Management Limited (the "Group"), provides discretionary investment management services to institutional clients. This includes management of retirement plan assets for corporate and government entities, foundations and other institutional investors. Furthermore, the Group acts as the investment adviser or sub-adviser to a wide range of collective investment schemes. The Group set up a subsidiary, Pictet Asset Management (USA) Corp. on 4th October 2019 which was launched on 5th October 2020. The address of the subsidiary is 712 Fifth Avenue, New York, USA.

The parent company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Moor House, Level 11, 120 London Wall, London, EC2Y 5ET.

2. **Statement of Compliance**

The financial statements of Pictet Asset Management Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of Preparation

These consolidated and company financial statements are prepared on the going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Exemptions for qualifying entities under FRS 102

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The Company's profit for the financial year was £1,706,267 (2020: profit of £20,226,691). The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned, as exempted under FRS 102 para 33.1 (A). The company has taken advantage of the exemption allowed under FRS 102 from preparing a Company Statement of Cash Flows, on the basis that it is a qualifying entity and the Consolidated Statement of Cash Flows, included in these financial statements, includes the company's cash flows.

Turnover

Turnover represents management fees, distribution fees, performance fees, group communication fees and trading fees, excluding VAT. Management and Distribution fee income is recognised on an accruals basis.

Management and distribution fees from the funds are based on the agreed percentage between PAM entities according to agreed transfer pricing methodology.

Management fees from institutional mandates are based on the agreed percentage of the Assets under Management invested by the client.

Performance fee income is recognised when earned, considering underlying account performance and performance assessment periods unless there is sufficient doubt surrounding the likely future receipt of the fee. In these instances, the fees are recognised as deferred income and only recognised in the Statement of Comprehensive Income at the completion of the relevant performance assessment period.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	25%-33% straight line
Fixtures, fittings and equipment	25%-33% straight line

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. The effect of any change is accounted for prospectively. Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit and loss and included in the Statement of Comprehensive Income.

3. Summary of significant accounting policies (continued)

Current tax
Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted by the period.

Deferred tax
Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the Balance Sheet date. No provision is made for taxation on permanent differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Basis of consolidation

The group financial statements include the financial information of the company and its subsidiary undertaking made up to 31 December 2021.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Foreign currencies
The Group and Company's functional and presentation currency is the pound sterling. Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into base currency at the rate of exchange ruling at the balance sheet date. All foreign exchange gains and losses are taken to the statement of comprehensive income in the period in which they arise.

Financial Instruments
The Group and Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.
i. *Financial assets*
Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate.

The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. *Financial liabilities*
Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3. **Summary of significant accounting policies (continued)**

iii. *Offsetting*
Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Land and building leases
Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term, and the benefit of rent-free periods are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Incentives received to enter into an operating lease are credited to the Statement of Comprehensive Income, to reduce the lease expense, on a straight-line basis over the period of the lease.

Investments
Investments are held at cost less accumulated impairment losses.

Share Capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Administrative expenses
Administrative expenses are recognised on an accruals basis.

Finance Costs
Finance costs associated with loans and borrowings are accounted for on an accruals basis.

Pension costs, other post-retirement benefits and employee benefits
The group contributes to a defined contribution pension scheme, the assets of which are held separately in an independently administered fund. Contributions to this scheme are charged to the Statement of Comprehensive Income as they become payable.

Employee Benefits
The group operates various long-term employee benefit schemes. The employees who become eligible for such long-term benefit schemes are based on a case by case basis at a functional level. The amounts are based on their performance determined internally by a scorecard method designed by the management. The expense relating to these schemes is charged to the Statement of comprehensive income over the vesting period, which in general is three years. The liability for these schemes is recorded within accrued expenses within long term creditors, since the amount is paid beyond 12 months after the balance sheet date. At the end of each reporting period the company reassesses the liability and makes relevant adjustments for any change in estimates or the assumptions that impact the potential future liability. For the Long Term Investment Plan (LTIP) the growth rate is assumed to be 5%. The forfeitures and discontinuing of the deferred liability using high quality corporate bond has been considered.

Some employees who were awarded deferred bonuses could choose to invest those amounts in Pictet Funds through a scheme operated via Pictet Asset Management Holding S.A. The amount invested and the fair value sits on the balance sheet under other debtors. Every six months the fair value of the investments is updated. There is no impact on the profit and loss of the group.

Related party transactions
The Group and Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned, as exempted under FRS 102 para 33.1 (A).

Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at banks in different currencies.

4. **Accounting judgements and estimation**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Deferred Bonus accrual
Some staff who are awarded a bonus for their performance in the current year, are paid the amount over a period of four years. Annually, a calculation is undertaken to quantify the carrying value of such payments. An exercise has also been undertaken to estimate forfeitures – based on staff turnover – and net present value of the deferred payments.

4. **Accounting judgements and estimation (continued)**

Deferred Tax Asset
As noted, there is an annual process where the value of the deferred bonus accrual is estimated. A deferred tax asset is recognised in respect of the expected allowable deductions within the Company's computation of the tax charge, and the value of this asset is reviewed annually in conjunction with the value of the deferred compensation amounts recognised.

Impairment of investments
Investments are reviewed for impairment at each balance sheet date. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. The company's investment in another Pictet Group entity is reviewed at each balance sheet date for impairment.

No other key judgements and estimates have been made while preparing the financial statements. The directors do not believe there to be any critical accounting estimates or judgements.

5. **Turnover**

Analysis of turnover by category	2021	2020 (restated)
	£	£
Management fee	**119,565,546**	112,205,224
Distribution fee	**21,507,239**	16,203,542
Other	**15,974,220**	8,880,326
Performance fee	**16,583,581**	45,565,120
	173,630,586	182,854,212

Amounts received from brokers as part of the Research Payment Account (RPA) have been reclassified under 'Other', previously these fees were netted against other operating costs within administrative expenses. In addition, all type of distribution fees are now disclosed under distribution fees, previously some type of distribution fees were included in management fees.

Analysis of turnover by geography

	2021	2020
	£	£
United Kingdom	**8,377,001**	5,390,151
Europe	**144,596,140**	153,666,426
North America	**10,697,159**	8,106,068
Far East	**9,960,286**	5,961,552
	173,630,586	173,124,197

6. **Staff costs**

Group	2021	2020
	£	£
Wages and salaries	**109,004,054**	106,618,001
Social security costs	**13,946,421**	12,825,691
Other pension costs	**5,211,665**	5,268,115
	128,162,140	124,711,807

Company	2021	2020
	£	£
Wages and salaries	**101,999,752**	103,933,250
Social security costs	**13,801,863**	12,785,228
Other pension costs	**5,167,934**	5,233,048
	120,969,549	121,951,526

6. Staff costs (continued)

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

	Group		Company	
	2021	2020	**2021**	2020
	Number	Number	**Number**	Number
Investment activities	**152**	151	**152**	151
Distribution activities	**11**	5	**-**	2
Corporate functions and administration	**163**	165	**163**	165
	326	321	**315**	318

Directors
The directors' emoluments were as follows:

	2021	2020
	£	£
Aggregate emoluments	**2,766,304**	2,276,088
Pension contributions to money purchase schemes	**43,219**	42,059

Post-employment benefits are accruing for 1 (2020: 1) directors under a defined contribution pension scheme.

Highest paid director

	2021	2020
	£	£
Aggregate emolument	**2,701,304**	2,211,088
Pension contribution to money purchase schemes	**43,219**	42,059

The disclosed emoluments do not include the Director Sebastien Eisinger who is remunerated by another entity within the group as an employee only, and no separate remuneration is received by this Director in respect of qualifying services to the Company.

7. Operating loss

Group Operating loss is stated after charging:	**2021**	2020
	£	£
Fees payable to the Company's auditors for the audit of the parent company		
and the Group's consolidated financial statements	**91,252**	99,350
Fees payable to the Company's auditors and their associates for other services:		
-taxation compliance services	**30,742**	27,033
-other assurance services	**157,175**	43,187
Depreciation of tangible assets	**1,225,205**	1,727,675
Foreign exchange gains	**55,090**	1,221,703
Land and building lease	**3,677,860**	3,533,654

8. Income from shares in Group undertaking

During the year, the Company received dividend income from Pictet Asset Management (Europe) SA of £17,334,554 (2020: £17,922,094).

9. **Tax on (loss) / profit**

In the Spring Budget 2021, the Government announced that from 1st April 2023 the corporation tax rate will increase to 25%. The increases rate of 25% has been substantively enacted and its effects are included in the calculation of Deferred Tax Asset below.

(a) **Analysis of the tax charge**

The tax charge on the (loss) / profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	-	628,081
Prior period adjustments	14,707	-
Deferred tax charge	(1,798,226)	(455,383)
Total tax charge / (credit)	(1,783,519)	172,698

UK corporation tax has been charged at standard rate 19.00% (2020: 19.00%).

(b) Factors affecting total tax charge

The charge for the year can be reconciled to the Company Profit and Loss:

	2021	2020
	£	£
Profit / (Loss) on ordinary activities before taxation	(78,547)	20,399,390
Profit / (Loss) on ordinary activities multiplied by corporation tax rate 19.00% (2020: 19.00%)	(14,924)	3,875,884
Effects of:		
Expenses not deductible	349,683	264,245
Income not taxable	(3,293,565)	(3,405,198)
Increase from effect of unrelieved tax losses carried forward	3,293,565	-
Tax on profits of overseas branches	(13,553)	(27,151)
Adjustments from previous periods	14,707	89,567
Tax rate changes / (credit) for the year	(2,119,432)	(624,649)
Total tax charge / (credit) for the year	(1,783,519)	172,698

Deferred tax asset

	2021	2020
	£	£
Balance at 1 January	5,854,462	5,399,079
Statement of comprehensive income	1,798,226	455,383
Balance at 31 December	7,652,688	5,854,462

Deferred tax provided comprises:

	2021	2020
	£	£
Fixed asset timing differences	666,995	332,791
Short term timing differences - trading	6,100,093	4,636,069
Losses	885,600	885,600
Short term timing differences	7,652,688	5,854,462

The timing differences relate to when deferred compensation payments become allowable deductions within the computation of the company's corporation tax charge. This also includes fixed assets timing differences and tax losses. As of December 31, 2021, the Company has net operating loss (NOL) carry forward of £17,334,554 which has not been recognised in the consolidated financial statements.

10. Tangible assets

Group

	Leasehold Improvements	Fixtures, fittings & equipment	Total
Cost	**£**	**£**	**£**
At 1 January 2021	3,026,712	8,139,800	11,166,512
Additions	232,400	727,338	959,738
Disposals	(37,394)	(690,686)	(728,080)
At 31 December 2021	**3,221,718**	**8,176,452**	**11,398,170**
Accumulated depreciation			
At 1 January 2021	2,367,401	6,354,923	8,722,324
Charge for year	332,078	893,127	1,225,205
Disposals	(37,394)	(690,686)	(728,080)
At 31 December 2021	**2,662,085**	**6,557,364**	**9,219,449**
Net Book Value			
At 31 December 2021	**559,634**	**1,619,087**	**2,178,721**
At 31 December 2020	659,311	1,784,877	2,444,188

Company

	Leasehold Improvements	Fixtures, fittings & equipment	Total
Cost	**£**	**£**	**£**
At 1 January 2021	2,361,002	8,088,743	10,449,745
Additions	168,752	711,082	879,834
Disposals	(37,394)	(690,686)	(728,080)
At 31 December 2021	**2,492,360**	**8,109,139**	**10,601,499**
Accumulated depreciation			
At 1 January 2021	2,324,416	6,350,006	8,674,422
Charge for year	188,685	875,217	1,063,902
Disposals	(37,394)	(690,686)	(728,080)
At 31 December 2021	**2,475,707**	**6,534,537**	**9,010,244**
Net Book Value			
At 31 December 2021	**16,653**	**1,574,602**	**1,591,255**
At 31 December 2020	36,587	1,738,737	1,775,323

11. Investments – Group

	2021 (£)			2020 (£)		
	Subsidiaries	Other Investments	Total	Subsidiaries	Other Investments	Total
1 January	-	26,153,708	26,153,708	-	26,153,708	26,153,708
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
31 December	-	26,153,708	26,153,708	-	26,153,708	26,153,708

Investments - Company

	2021 (£)			2020 (£)		
	Subsidiaries	Other Investments	Total	Subsidiaries	Other Investments	Total
1 January	3,217,808	26,153,708	29,371,516	1,680,621	26,153,708	27,834,329
Additions	5,301,372	-	5,301,372	1,537,187	-	1,537,187
Disposals	-	-	-	-	-	-
31 December	8,519,180	26,153,708	34,672,888	3,217,808	26,153,708	29,371,516

The directors believe that the carrying value of the investments is supported by their underlying value in use.

Details of the investments at 31 December 2021 are shown below:

Name	Description of business	Country of Incorporation	Description of shares held	Proportion of nominal value of	Investment type
Pictet Asset Management (USA) Corp.	Asset management distribution	United States of America	Common Stock	100%	Subsidiary
Pictet Asset Management (Europe) SA	Asset management	Luxembourg	Common Stock	22.79%	Associate

PAM USA address is 712 Fifth Avenue, 25th Floor, New York, NY 10019, USA. PAM(E)SA address is 15 avenue JF Kennedy, L-1855 Luxembourg. All subsidiaries of Pictet Asset Management Limited have been included in the consolidated financial statements.

12. Debtors

Group	2021 £	2020 £
Trade debtors	694,298	2,196,702
Deferred tax asset	7,652,688	5,854,462
Corporation tax receivable	1,600,742	1,458,860
VAT recoverable	1,395,130	960,994
Amounts owed by group undertakings	28,364,202	59,186,328
Other debtors	10,553,948	6,195,459
Prepayments and accrued income	22,339,280	10,491,626
	72,600,288	86,344,431

Debtors include £7,652,688 (2020: £5,854,462) falling due after more than one year. Other debtors include the deferred bonuses invested into Pictet Funds by the senior personnel who were awarded such bonuses as part of their compensation.

12. Debtors (continued)

Company	**2021** **£**	2020 £
Trade debtors	**694,298**	2,196,702
Deferred tax asset	**7,652,688**	5,854,462
Corporation tax receivable	**1,600,742**	1,458,860
VAT recoverable	**1,394,896**	960,994
Amounts owed by group undertakings	**21,863,407**	59,354,758
Other debtors	**10,253,517**	5,793,675
Prepayments and accrued income	**22,032,587**	10,471,383
	65,492,135	86,090,384

Debtors include £7,652,688 (2020: £5,854,462) falling due after more than one year. Other debtors include the deferred bonuses invested into Pictet Funds by the senior personnel who were awarded such bonuses as part of their compensation.

13. Creditors: amounts falling due within one year

	Group		**Company**	
	2021 **£**	2020 £	**2021** **£**	2020 £
Trade creditors	**624,981**	(89,546)	**624,981**	(89,546)
Subordinated loan	**-**	10,000,000	**-**	10,000,000
Amounts owed to group undertakings	**5,183,864**	5,560,025	**5,425,855**	5,677,787
Other creditors	**85,309,401**	78,061,102	**79,015,059**	76,286,539
	91,118,246	93,531,581	**85,065,895**	91,874,780

Other creditors include bonus accruals including the employers national insurance payable. It also includes the retrocessions payable to third parties against the distribution fees received. The Subordinated loan was repaid to the immediate parent Pictet Asset Management Holding S.A. on 28 December 2021.

14. Creditors: amounts falling due after more than one year

	Group		**Company**	
	2021 **£**	2020 £	**2021** **£**	2020 £
Deferred bonus	**29,335,549**	24,408,685	**29,134,557**	24,408,685
	29,335,549	24,408,685	**29,134,557**	24,408,685

Contingent deferred and LTIP bonus liability is GBP 54.7m (2020: GBP 47.9m)

15. Called up share capital

Allotted and fully paid:

Number:	Class:	Nominal value:	**2021** **£**	2020 £
45,000,000 (2020: 45,000,000)	Ordinary	£1	**45,000,000**	45,000,000

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16. Retained earnings

Group	Retained earnings £
At 1 January 2021	72,334,276
Profir for the financial year	**1,702,421**
Translation reserve	**206,825**
At 31 December 2021	**74,243,522**

Company	Retained earnings £
At 1 January 2021	75,843,135
Profit for the financial year	**1,706,267**
Translation reserve	**4,362**
At 31 December 2021	**77,553,764**

17. Ultimate controlling party

The immediate parent undertaking of the Group is Pictet Asset Management Holding S.A., a company incorporated in Switzerland. The registered address is Route des Acacias 60, 1227 Carouge, Geneva, Switzerland.

The ultimate parent undertaking and controlling party are the partners of Pictet & Partners, a partnership registered in Switzerland. Pictet Asset Management Limited's financial statements have been consolidated by the ultimate parent undertaking and can be obtained from the ultimate parent undertaking's registered address Route des Acacias 60, 1227 Carouge, Geneva, Switzerland.

18. Reconciliation of movement in shareholders' funds

Group	2021 £	2020 £
Profit for the financial year	**1,702,421**	16,767,675
Translation reserve	**206,825**	(31,339)
Net movement in shareholders' funds	**1,909,246**	16,736,336
Opening shareholders' funds	**117,334,276**	100,597,940
Closing shareholders' funds	**119,243,522**	117,334,276

Company	2021 £	2020 £
Profit for the financial year	**1,706,267**	20,226,691
Translation reserve	**4,362**	18,504
Net movement in shareholders' funds	**1,710,629**	20,245,195
Opening shareholders' funds	**120,843,135**	100,597,940
Closing shareholders' funds	**122,553,764**	120,843,135

19. Pension costs

The pension charge for the year in respect of the independently administered defined contribution pension scheme or payments to self-invested personal pension plans (SIPPs) was £5,211,665 (2020: £5,268,115). No contributions were payable to the scheme or SIPPs at the year-end (2020: £nil).

20. Notes to the cash flow statements

	2021	2020
	£	£
Profit for the financial year	**1,702,421**	16,767,675
Adjustments for:		
Tax on (loss) / profit	**(1,783,519)**	172,698
Interest received	**(3,917)**	(2,625)
Finance costs	**298,333**	300,000
Dividends from associate	**(17,334,554)**	(17,922,094)
Depreciation of tangible assets	**1,225,205**	1,727,675
(Loss) / Profit on FX variances	**55,090**	1,221,703
Working capital movements:		
- Decrease / (Increase) in debtors	**15,542,369**	(37,445,378)
- Increase in payables	**12,509,860**	25,588,306
Cash flow from operating activities	**12,211,288**	(9,592,040)

21. Administrative expenses

	2021	2020 (restated)
	£	£
Staff and Recruitment costs	**134,303,442**	129,654,149
Rent and Other Premises costs	**7,183,534**	6,582,103
Marketing costs	**2,990,637**	2,186,268
Professional charges	**2,386,714**	1,892,726
Depreciation	**1,225,205**	1,729,278
Other Operating costs	**42,662,290**	41,494,034
	190,751,822	183,538,558

Amounts received from brokers as part of the Research Payment Account (RPA) have been reclassified under 'Other' in turnover (not 5), previously these fees were netted against other operating costs.