Annual Report and Financial Statements

LGT Vestra US Limited

For the year ended 31 December 2021

Registered number: 06455240

LGT Vestra US Limited
Registered number: 06455240

Information

Directors

Stephan Tanner (appointed 12 February 2021)
Michael Buerge (appointed 12 February 2021)
Olivier De Perragaux (resigned 12 February 2021)
Paul Nixon
Benjamin Snee
Steven Payne

Company Secretary

Edward Heaton

Registered Office

14 Cornhill
London
EC3V 3NR

Independent Auditors

ECOVIS Wingrave Yeats LLP
Waverley House
7-12 Noel Street
London
W1F 8GQ

LGT Vestra US Limited

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LGT Vestra US Limited

Directors' Report

For the year ended 31 December 2021

The Directors present their report and the financial statements for LGT Vestra US Limited (the "Company") for the year ended 31 December 2021.

Principal Activity

The principal objective of the Company is to provide wealth management and financial advisory services tailored to clients' needs.

The parent of the Company, LGT Vestra LLP, is preparing consolidated financial statements.

Results

The results for the year and the financial position of the Company are shown in the financial statements. The Company profit for the year was £458,598 (31 December 2020: loss of £353,465). The net assets at 31 December 2021 for the Company was £2,314,301 (31 December 2020 - £1,855,703).

The Company's net increase in cash for the year ended 31 December 2021 was £772,002 (the net increase in the year ended 31 December 2020 was £526,145).

The Company is exempt by virtue of Section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report.

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 period end. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Statement of Comprehensive Income of the Company 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 IFRSs as adopted by the European Union 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 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 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 Company's auditors are aware of that information.

LGT Vestra US Limited

Directors' Report

For the year ended 31 December 2021

Directors

The Directors who served during the period were:

Stephan Tanner (appointed 12 February 2021)
Michael Buerge (appointed 12 February 2021)
Olivier De Perragaux (resigned 12 February 2021)
Paul Nixon
Benjamin Snee
Steven Payne

Future developments

The Company remains optimistic that the volume of execution and custody business introduced by LGT Vestra LLP and the discretionary, advisory and execution wealth management services introduced directly by intermediaries and private clients to the US office will continue to grow whilst continuously improving the investment management service.

Principle risks and uncertainties and future prospects

The Company is subject to a number of risks inherent to the industry in which it operates. These risks, and the Group's strategy for managing them, are set out in the Pillar III statement which is available on the Group website, www.lgtvestra.com.

Market Risk
The Company and Group as a whole has identified the volatility of markets as a particular risk. An extreme fall in the equity markets would depress the value of assets under management and therefore the Group's revenues. However, the Group believes defensive positioning of many of the portfolios will enable it to withstand any severe downturn.
Such conditions could affect the confidence of prospective clients to invest monies with this or any firm and therefore reduce the flow of new net money to the Group. LGT Vestra does not hold any trading book positions on the firm's balance sheet.

Credit Risk
Credit risk is the risk that a counterparty of a financial instrument fails to meet its contractual obligation and causes the Group to incur a financial loss. The Company's exposure is limited to cash held at bank, intercompany exposure and other debtors and the Groups conservative policy with regard to credit exposures mitigates any major risk.

Liquidity Risk
Liquidity risk is the risk that the firm will be unable to meet its liabilities and other financial commitments to creditors or investors as and when they fall due. These risks are jointly managed by LGT Group Risk & Securities in Bendern, Liechtenstein and the London based Finance department. Cash balances are assessed on a daily basis and forecasted to ensure adequate liquidity at all times.

Interest Rate Benchmark Reform
The Company has considered the change from the London InterBank Offered Rate (LIBOR) to the Sterling OverNight Index Average (SONIA) and has considered it to have no impact on the day to day activities of the firm.

Climate Change Risks

Climate change related risks have been considered in the preparation of these statements but have not been quantified. LGT Group Foundation has developed the LGT Sustainability Strategy 2025 which sets targets for taking sustainability into even greater account across the entire company and product range with climate change-related issues as an important part of this strategy. LGT Vestra more specifically launched the Sustainable Portfolio Service in 2018 allowing clients to invest in businesses focused on long-term sustainability.

Targets for the operational side of the business include:

- reducing CO_2 emissions by 20%
- reducing energy consumption by 30%
- using 100% renewable energy across all locations
- reducing paper consumption by 30%
- requiring suppliers to fulfil minimum sustainability standards and purchase on sustainably-produced material.

There are many initiatives to alleviate LGT Vestra's Climate impact, including 100% of the firms office electricity being from renewable sources.

Impairments have been considered and deemed unnecessary given the nature of the business and its assets.

COVID-19 Worldwide Pandemic Impact / Risks

Throughout 2020 and 2021 the world has been impacted by the global COVID-19 pandemic confirmed by the World Health Organisation. LGT Vestra Group have continued to put in place controls and procedures in order to mitigate disruption on business activity and the welfare of employees. LGT Vestra's Crisis Management Team implemented working from home arrangements for all staff and have been meeting regularly, circulating updated communications to all staff via email and phone, as a result of the recently upgraded IT infrastructure the firm is able to remain fully functional and efficient with minimal disruption on day to day work. The firm has now implemented a return to work with a Hybrid Working Policy in place.

The company is continually monitoring the ongoing situation and the direct impact upon financial markets. The implications of which have been considered in detail as part of any Going Concern assessment.

The Group as a whole remains cautiously optimistic about the forthcoming year and its business strategy remains focused on client satisfaction.

Post reporting date events

On 24 February 2022, Russia began an invasion of Ukraine in a major escalation of the Russo-Ukrainian conflict that began in 2014. The events are being monitored on an ongoing basis, with an internal Group-wide task force set up to handle all matters. The Group are continuously monitoring the risks for our clients, our investments, and LGT as a company and are identifying any action that needs to be taken.

Independent auditors

ECOVIS Wingrave Yeats LLP will continue to act as auditors of the Company and will be taken to have been re-appointed for each succeeding financial period until (a) the conclusion of the next annual general meeting; or (b) the Company in general meeting resolves that the appointment of the auditors be brought to an end.

Directors' insurance and indemnities

The Directors have the benefit of the indemnity provisions contained in the Company's Articles of Association ('Articles'), and the Company has maintained throughout the year Directors' and officers' liability insurance for the benefit of the Company, the Directors and its officers. The Company has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

This report was approved by the board on 13th April 2022 and signed on its behalf:

Paul Nixon
Director

LGT Vestra US Limited

Independent auditors' report to the members of LGT Vestra US Limited

Independent auditor's report to the members of LGT Vestra US Limited

Opinion

We have audited the financial statements of LGT Vesta US Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.
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 Auditors' 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.
In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report to the members of LGT Vestra US Limited

Other information (continued)

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

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.

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

Independent auditors' report to the members of LGT Vestra US Limited

Auditors' responsibilities for the audit of the financial statements (continued)

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:

- We considered our general commercial and sector experience and held a discussion with the Directors and other management personnel to identify laws and regulations that could reasonably be expected to have a material effect on the financial statements.
- We determined that the laws and regulations which are directly relevant to the financial statements are those that relate to the reporting framework (International Financial Reporting Standards) and the relevant tax compliance regulations in the jurisdictions in which the Company operates. We evaluated the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- In addition, there are other significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being those laws and regulations relating to General Data Protection Regulation (GDPR), FCA, fraud, bribery and corruption. For these laws and regulations, the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through fines or litigation being imposed. As required by the auditing standards, auditing procedures in respect of non-compliance with these identified laws and regulations are limited to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with a number of individuals, including with individuals outside of the finance function, and conducted interviews to understand where they considered there was susceptibility to fraud. 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 areas of estimate and judgement in the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and fraud risks identified in the paragraphs above. In addition to the audit procedures, we communicated the identified laws and regulations to the audit team and remained alert to any indications of non-compliance throughout the audit. The specific audit procedures performed by the engagement team included:

    - Review of Board minutes;
    - Reviewed correspondence received from regulatory bodies;
    - Reviewed large and unusual bank transactions;
    - Challenging assumptions and judgements made by management in its significant accounting estimates,
    - Identifying and testing journal entries.

There are inherent limitations of an audit. There is a higher risk that irregularities, including fraud, will not be detected during the audit as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. The primary responsibility for the prevention and detection of non-compliance

Auditors' responsibilities for the audit of the financial statements (continued)

with all laws and regulations and fraud lies with both those charged with governance of the entity and management.

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 Auditors' 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.

Gerard Collins

Gerard Collins (Senior Statutory Auditor)

for and on behalf of
Ecovis Wingrave Yeats LLP
Chartered Accountants & Statutory Auditor

Waverley House
7-12 Noel Street
London
W1F 8GQ
United Kingdom
14 April 2022

LGT Vestra US Limited

Statement of Comprehensive Income

For the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover	4	4,470,149	3,208,994
Operating expenses		(4,433,509)	(3,562,459)
Operating profit / (loss)	5	36,640	(353,465)
Interest receivable and similar income		-	-
Interest payable and expenses		-	-
Profit / (loss) before tax		36,640	(353,465)
Tax on profit / (loss)	8	421,958	-
Total comprehensive profit / (loss) for the year		458,598	(353,465)

All income is from continuing activities.

There was no other comprehensive income in the year (year ending 31 December 2020: Nil)

The notes on pages 15 to 24 form part of these financial statements.

LGT Vestra US Limited

Statement of Financial Position

As at 31 December 2021

	Note	31 December 2021 £	31 December 2021 £	31 December 2020 £	31 December 2020 £
Non-current assets					
Tangible assets	9		-		-
Intangible assets	10		155,000		-
			155,000		-
Current Assets					
Trade and other receivables	11	1,285,158		1,057,009	
Deferred tax	12	421,958		-	
Cash and cash equivalents	13	3,073,335		2,301,333	
		4,780,451		3,358,342	
Current Liabilities					
Trade and other payables	14	(2,621,150)		(1,502,639)	
Net current assets			2,159,301		1,855,703
Total assets less current liabilities			2,314,301		1,855,703
			2,314,301		1,855,703
Capital and reserves					
Called up share capital	16	4,501		4,501	
Share premium account	17	4,495,500		4,495,500	
Retained earnings		(2,185,700)		(2,644,298)	
			2,314,301		1,855,703
			2,314,301		1,855,703

The financial statements on pages 11 to 24 were approved and authorised for issue by the board and were signed on its behalf:

Paul Nixon
Director
13th April 2022

LGT Vestra US Limited

Statement of Changes in Equity

For the year ended 31 December 2021

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2021	4,501	4,495,500	(2,644,298)	1,855,703
Profit for the year	-	-	458,598	458,598
Total comprehensive income for the year	-	-	458,598	458,598
Shares issue during the period	-	-	-	-
Total transactions with owners	-	-	-	-
At 31 December 2021	4,501	4,495,500	(2,185,700)	2,314,301

The notes on pages 15 to 24 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2020

	Called up share capital	Share premium account £	Retained earnings £	Total equity £
At 1 January 2020	3,501	3,496,500	(2,290,833)	1,209,168
Loss for the year	-	-	(353,465)	(353,465)
Total comprehensive income for the year	-	-	(353,465)	(353,465)
Shares issue during the period	1,000	999,000	-	1,000,000
Total transactions with owners	1,000	999,000	-	1,000,000
At 31 December 2020	4,501	4,495,500	(2,644,298)	1,855,703

The notes on pages 15 to 24 form part of these financial statements.

LGT Vestra US Limited

Statement of Cash Flows

For the year ended 31 December 2021

	Note	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Cash flows from operating activities			
Profit / (loss) for the year		458,598	(353,465)
Adjustments for:			
Depreciation of tangible fixed assets	9	-	-
Amortisation of intagible fixed assets	10	-	38,905
Increase in trade receivables	11	(228,149)	(121,123)
Increase in deferred tax	12	(421,958)	-
Increase / (decrease) in trade payables	14	341,328	(61,747)
Increase in amounts owed to group undertakings	14	777,183	23,575
Net cash generated from / (used in) operating activities		927,002	(473,855)
Cash flows from financing activities			
Issue of ordinary shares	17	-	1,000,000
Net cash generated from financing activities		-	1,000,000
Cash flows from investing activities			
Purchase of intangibles	10	(155,000)	-
Net cash generated used in investing activities		(155,000)	-
Net increase in cash and cash equivalents		772,002	526,145
Cash and cash equivalents at the beginning of the period		2,301,333	1,775,188
Cash and cash equivalents at the end of the period		3,073,335	2,301,333
Cash and cash equivalents at the end of the period comprise :			
Cash and cash equivalents	13	3,073,335	2,301,333
		3,073,335	2,301,333

The notes on pages 15 to 24 form part of these financial statements.

1. General information

LGT Vestra US Limited is a private Company, limited by shares, incorporated in the United Kingdom, registration number 06455240. It's registered office is 14 Cornhill, London, EC3V 3NR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") and the Companies Act 2006.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the entity's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have assessed the current financial position of the Company, along with future cash flow requirements to determine if the Company has the financial resources to continue as a going concern for the foreseeable future. The conclusion of this assessment is that it is appropriate that the Company be considered a going concern. For this reason the Directors continue to adopt the going concern basis in preparing the Financial Statements. The Financial Statements do not include any adjustments that would result in the going concern basis of preparation being inappropriate.

2.3 Amendment to IFRS

No new standards have been implemented in 2021. Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

All revenue streams have been considered in accordance with IFRS 15. Commission and contract revenue is recognised in the period in which the services are provided. Management fee revenue is recognised in the period in which the services are provided.

2.5 Tangible non-current assets

Tangible non-current assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The Company adds to the carrying amount of an item of non-current assets the cost of replacing part of such an item when

2. Accounting policies (continued)

2.5 Tangible non-current assets (continued)

that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated Statement of Comprehensive Income.

2.6 Intangible non-current assets

Intangible non-current assets are stated at cost less accumulated amortisation. Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method, and is provided on the following basis:

Software	- 33%

The amortisation period and method are reviewed at each balance sheet date.

2.7 Trade and other receivables

Short term trade and other receivables are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash at hand.

2.9 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1. the rights to receive cash flows from the asset have expired;
2. the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or

2. Accounting policies (continued)
2.9 Financial instruments (continued)

Financial assets (continued)
3. the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Loans and receivables
Loans and receivables are initially recognised at their fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method.

Other receivables
Where these receivables are of a short-term nature the fair value is determined as equal to the nominal amount without any discounting. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount the estimated recoverable amount.

2.10 Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Where the liabilities are of a short-term nature the fair value is determined as equal to the nominal amount with any discounting.

2.11 Pensions

Defined contribution pension plan
The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.13 IFRS 9 application

IFRS 9, 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and financial liabilities has introduced new rules for hedge accounting and a new impairment model for financial assets.
This standard has been applied from 1 January 2018 and the effect has been assessed, and financial instruments are now revalued through Other Comprehensive Income in line with LGT Group accounting policies.

2.14 Foreign currency translation

Functional and presentation currency
The Company's functional and presentational currency is GBP.

2. Accounting policies (continued).

2.14 Foreign currency translation (continued)

Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

Functional and presentation currency
The Company's functional and presentational currency is GBP.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.15 Taxation

Tax is recognised in the Statement of Comprehensive Income. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date in the countries where the Company operates and generates income.

2.16 Deferred Taxation

Deferred taxation is recognised in relation to losses carried forwards, differences in the amount of depreciation charged and capital allowances claimed, and other temporary differences. This has been recognised due to the recoverability of the asset becoming certain and can now be used against profits.

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

In the application of the Company's accounting policies, which are described in note 2, the board are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Company's accounting policies
Significant judgment is required in determining the use of tax loss carry forwards. Deferred tax assets arising from unused tax losses or tax credits are only recognized to the extent that there are sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized.

Key sources of estimation uncertainty
Estimation has been used to recognise the deferred tax balance. This is in respect of the future profits that the deferred tax asset will be used against based on internal budgets and forecasts of the Company. There are no other key sources of estimation uncertainty.

4. Analysis of turnover

An analysis of turnover by class of business is as follows:

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Wealth management and financial advisory services	**4,470,149**	3,208,944

All turnover arose within the United Kingdom and Channel Islands

5. Operating profit / (loss)

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

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Amortisation of intangible non-current assets	**-**	38,905
Exchange differences	**1,267**	77
Cost of defined contribution scheme	**115,628**	99,737

6. Auditors' remuneration

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Fees payable to the auditor and its associates for the audit of the Company's annual financial statements	**14,200**	14,500

7. Employees

Staff costs were as follows:

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Wages and salaries	**2,557,532**	2,129,072
Social security costs	**327,422**	290,854
Cost of defined contribution scheme	**115,628**	99,737
Employee benefits	**52,820**	40,871
	3,053,402	2,560,534

7. Employees (continued)

The company has 14 employees and 2 directors at the year end. The highest paid director received remuneration of £637,889 (period ended 31 December 2020 : £538,370).

The value of the company's contributions to a defined contribution scheme in respect of the highest paid director amounted to £22,500 (2020: £14,850).

The average monthly number of employees, including the directors, during the period was as follows:	Year Ended 31 December 2021 No.	Year Ended 31 December 2020 No.
	15	13

8. Tax on profit / (loss)

Income tax	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Profit / (loss) before tax	36,640	(353,465)
Corporation tax on profit / (loss) calculated at 19% (31 December 2020: 19%)	6,962	(58,792)
Deferred tax recognised in the year	(441,849)	-
Deferred tax not recognised in the year	-	54,766
Other adjustments to tax	12,929	4,026
	(421,958)	-

There is a deferred tax asset of £441,849 recognised in the year, less corporation tax on 2021 profits and other adjustments to tax. This has arisen in relation to losses carried forward, differences in the amount of depreciation charged and capital allowances claimed, and other temporary differences. This has now been recognised due to the recoverability of the asset becoming certain and is being used against profits.

Tax losses available for utilisation against profits arising in future years amounts to £2,220,834 (2020: £2,325,521).

Deferred tax asset	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Brought forward balance at 1st January 2021	-	-
Recognised in year	441,849	-
Utilised in year	(19,891)	-
Carried forward balance at 31st December 2021	421,958	-

9. Tangible non-current assets

	Computer Equipment £
Cost or valuation	
As at 1 January 2021	**1,806**
Additions	-
At 31 December 2021	**1,806**
Depreciation	
As at 1 January 2021	**1,806**
Charge for the period	-
At 31 December 2021	**1,806**
Net Book Value	
At 31 December 2021	-
At 31 December 2020	-

There are no restrictions on title and no items of non-current assets have been pledged as security.

10. Intangible non-current assets

	Software £
Cost or valuation	
As at 1 January 2021	**215,900**
Additions	**155,000**
At 31 December 2021	**370,900**
Accumulated Amortisation	
As at 1 January 2021	**215,900**
Charge for the period	-
At 31 December 2021	**215,900**
Net Book Value	
At 31 December 2021	**155,000**
At 31 December 2020	-

The above intangible asset relates to tax reporting software amortised over 3 years. The useful life of this asset is reviewed annually. New intangible asset is not currently operational and will be amortised from the start of the life of the asset in January 2022.

11. Trade and other receivables

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Other trade receivables	**3,391**	15,432
Prepayments and accrued income	**1,281,767**	1,041,577
	1,285,158	1,057,009

12. Deferred tax

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Deferred tax asset	**421,958**	-
	421,958	-

See note 8. Tax on Profit for a detailed breakdown of the deferred tax asset.

13. Cash and cash equivalents

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Cash and cash equivalents	**3,073,335**	2,301,333

All cash balances are unrestricted.

14. Trade payables: Amounts falling due within one year

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Other payables	**72,278**	143,327
Amounts owed to group undertakings	**885,061**	107,878
Taxation and social security	**117,910**	107,603
Accruals and deferred income	**1,545,901**	1,143,831
	2,621,150	**1,502,639**

15. Financial Instruments

	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**1,285,158**	1,057,009
Financial liabilities		
Financial liabilities measured at amortised cost	**(957,339)**	(251,205)

Financial assets measured at amortised cost comprise of accrued income and other receivables which are due within 3 months.

Financial liabilities measured at amortised cost comprise of intercompany and other payables which are due within 3 months.

Credit Risk

The Company is exposed to the panel of banks it has selected to hold its cash reserves. In order to mitigate this risk the Company has a credit policy and regularly reviews and monitors its chosen institutions. Trade receivables relating to fees due from clients do expose the Company to credit risk as the amounts are due and payable by the custodian. However, the custodians were slected by the Company following a full due diligence process and are regularly monitored hence the Company does not believe this to be a significant risk.

Liquidity Risk

Liquidity risk is managed at the LGT group level.

Foreign Currency Risk

The Company exchanges foreign currency transactions internally, using a house exchange rate, the rate and spread are set using opening day rates. Gains and losses are recorded as income in the Statement of Comprehensive Income. The Company's exposure is monitored daily and forms part of the its regulatory capital requirements calculation.

16. Called up Share capital

	31 December 2021 £	31 December 2020 £
Allotted, called up and fully paid		
A - Ordinary share of £1 each	**1**	1
B - Ordinary shares of £1 each	**4,500**	4,500
Total called up and fully paid share capital	**4,501**	4,501

Class A and Class B shares are entitled to one voting right per share.

17. Reserves

Share premium

	31 December 2021 £	31 December 2020 £
Share premium	**4,495,500**	4,495,500

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

18. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held seperately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the Fund amounted to £115,628 (2020: £99,737).

19. Related party transactions

LGT Vestra LLP, the Parent of the Company, provide back office and support functions to the Company. During the period ended 31 December 2021, total fees payable to its parent were £586,391 (period ended 31 December 2020 : £485,530). At the period end, the Company owed its parent £48,866 (31 December 2020 : £91,942).

LGT Group provides back office and support functions to the Company. During the period ended 31 December 2021, the total fees payable from the Company were £922 (2020: £815). At the year end, the amount owing to LGT Group was £nil (2020: £nil).

LGT Group Foundation provides the use of their licence to its subsidiaries LGT Vestra LLP, LGT Vestra (Jersey) Limited and LGT Vestra US Limited. During the year ended 31 December 2021, the total fees payable from LGT Vestra US Limited was £221,299 (2020: £162,352). At year end, the amount owing to LGT Group Foundation was £nil (2020: £nil).

The amounts outstanding are unsecured and will be settled in cash. No guarentees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

20. Ultimate parent undertaking and controlling party

The ultimate parent of the Company is LGT Group Foundation, a foundation registered in the principality of Liechtenstein.

21. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholders and to maintain and to minimise the cost of capital.

Capital is made up of share capital, share premium and reserves balances. Capital is managed at a group level.

The FCA require the company to have a minimum capital requirement which is higher of 25% of previous years cost base or 25% of current year budget. During the year, the company has complied with this requirement.