

Trillium Asset Management UK Ltd. (formerly known as BrightSphere International Limited)

Annual Report and Financial Statements

Registered number 07091180

31 December 2020



Trillium Asset Management UK Ltd.

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Trillium Asset Management UK Ltd.

COMPANY INFORMATION - 31 DECEMBER 2020

BOARD OF DIRECTORS

B Carroll (resigned 24 September 2020)
R Sourì
David Andrew Lane (appointed 6 May 2021)
Graham John Kitchen (appointed 6 May 2021)

COMPANY SECRETARY

E Stinchfield

REGISTERED OFFICE

20 North Audley Street,
London,
England
W1K 6LX

REGISTERED NUMBER

England: 07091180

AUDITOR

KPMG LLP
15 Canada Square
London
E14 5GL

Trillium Asset Management UK Ltd.

STRATEGIC REPORT

STRATEGY AND BUSINESS MODEL

During April 2021, BrightSphere International Limited changed its name to Trillium Asset Management UK Ltd (the "Company"). The Company was acquired by Perpetual Limited during March 2021. The Company's principal activity is to extend the marketing footprint and diversify business revenues of Perpetual Limited Inc. and its affiliates to markets outside of Australia.

The Company is authorised and regulated by the Financial Conduct Authority ("FCA"). The FCA permissions include advising on investments and managing investments.

DEVELOPMENT AND PERFORMANCE DURING 2020

During 2020, the Company continued to market the capabilities of its affiliates to institutional clients.

The broad strategy continued to focus on a distinct group of affiliate investment capabilities targeting institutional clients in non-US markets.

The Company was acquired by Perpetual Acquisition Company Limited during March 2021 for £1. Perpetual Acquisition Company Limited is a wholly owned subsidiary of Perpetual Limited, an Australian diversified financial services company.

RESULTS AND DIVIDENDS

The Company's results for the year are set out in the profit and loss account and other comprehensive income on page 11. During the year ended 31 December 2020, the Directors declared and paid dividends of £6m (31 December 2019: £0).

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks to the business are considered to be investment performance of our affiliates, adverse market conditions, loss of key staff and oversight of delegated investment advisers. These risks are actively managed through various means including diversity of the product and client range, through ensuring that the Company's remuneration packages, and culture remain competitive and attractive, and through various compliance and business monitoring activities. Risks to the business are reviewed and monitored on an ongoing basis by senior management and are reviewed by the Board on a quarterly basis.

The Company has an Internal Capital Adequacy Assessment Process ("ICAAP") as required by the FCA for establishing the amount of regulatory capital to be held by the Company to withstand the materialization of a series of risks even resulting in a winding up of the Company. The ICAAP draws from the Company's enterprise risk management framework and gives consideration to the current and forecast projected financial and capital positions. The ICAAP is reviewed by the Board at least annually.

Pillar 3 disclosures as required by Basel II can be found: www.perpetual.com.au/about/shareholders.

The Company's FY20 turnover decreased year on year, which is partly a result of the COVID-19 pandemic. The Company is part of a service agreement with BrightSphere Inc. Under the agreement, the Company provides services to other BrightSphere Inc. affiliates relating to the marketing and distribution of investment strategies and products of such affiliates. As compensation for these services, the Company receives from BrightSphere Inc. a fee equal to 110% of the Company's annual operating expenses. During FY20, as a result of the pandemic the Company's operating expenses have decreased as the Company spent less on business travel and entertainment, incurred less client costs, and reduced its staff levels.

Trillium Asset Management UK Ltd.

STRATEGIC REPORT (Continued)

The UK departed from the European Union as of 31 January 2020 and began a transition period that ended on 31 December 2020. The departure of the U.K. from the EU will have implications for the Company's business model. The Company is assessing the impact to its passport rights into the EU with respect to marketing and investment management services. The Company continues to monitor this area very closely to ensure appropriate contingency plans are in place to minimise any negative impact to the business.

Approved on behalf of the Board

DocuSigned by:

Richard Souri

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Richard Souri
20 North Audley Street
London
W1K 6LX
United Kingdom

Trillium Asset Management UK Ltd.

REPORT OF THE DIRECTORS

The Directors present their report and audited financial statements for the year from 1 January 2020 to 31 December 2020.

DIRECTORS

The Directors who held office during the year are as follows:

B Carroll (resigned 24 September 2020)
R Sourì

DIRECTORS' AND OFFICERS LIABILITY

Trillium Asset Management UK Ltd. maintains insurance cover in respect of Directors' and officers' liability.

FCA REMUNERATION CODE DISCLOSURE

The Company falls within Proportionality Tier 3 for the purposes of the FCA Remuneration Code. Under this Code, the Company is required to make certain disclosures regarding its remuneration policies and practices for those categories of staff whose professional activities have a material impact on its risk profile. These disclosures may be found on the Company's website as part of the Pillar 3 disclosure: www.perpetual.com.au/about/shareholders.

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditors 28 days after these financials were sent to member or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as each is aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he / she ought to have taken as a Director to make himself / herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information. This statement is made subject to all the provisions of section 418 (2).

AUDITOR RESPONSIBILITIES

The respective responsibility of the auditor is shown in the auditor's report to the members of Trillium Asset Management UK Ltd. and is included on pages 8-10.

DIVIDENDS

The Directors recommended, declared, and paid dividends of £6m during 2020 (2019: £0).

POLITICAL CONTRIBUTIONS

The company made no political donations or incurred any political expenditure during 2020 (2019: £0).

Trillium Asset Management UK Ltd.

GOING CONCERN

The directors have prepared a going concern assessment for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through in downside cases funding from its ultimate parent company, Perpetual Limited, to meet its liabilities as they fall due for that period.

The assessment is dependent on Perpetual Limited providing additional financial support during that period. Perpetual Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the assessment. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

OTHER INFORMATION

An indication of likely future developments in the business and particulars or significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 3-4.

Richard Sourì
Director
20 North Audley Street
London
W1K 6LX

DocuSigned by:
Richard Sourì
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18 June 2021

Trillium Asset Management UK Ltd.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are relevant and reliable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Trillium Asset Management UK Ltd.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILLIUM ASSET MANAGEMENT UK LTD. (FORMERLY KNOWN AS BRIGHTSPHERE INTERNATIONAL LIMITED)

Opinion

We have audited the financial statements of Trillium Asset Management UK Ltd. (formerly known as BrightSphere International Limited) ("the company") for the year ended 31 December 2020 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Applying analytics procedures to identify any unusual or unexpected relationships within the financial information recorded in the financial statements.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post-closing journals.

Trillium Asset Management UK Ltd.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILLIUM ASSET MANAGEMENT UK LTD. (FORMERLY KNOWN AS BRIGHTSPHERE INTERNATIONAL LIMITED) – (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's authority to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering, market abuse regulations and financial services regulations including Client Assets and specific areas of regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Trillium Asset Management UK Ltd.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRILLIUM ASSET MANAGEMENT UK LTD. (FORMERLY KNOWN AS BRIGHTSPHERE INTERNATIONAL LIMITED) – (continued)

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

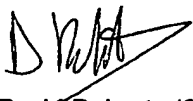
Auditor's responsibilities

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

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Roberts (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
21 June 2021

Trillium Asset Management UK Ltd.**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020**

		Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
	Notes		
Turnover	2	1,054	2,814
Administrative expenses	4	(959)	(2,612)
OPERATING PROFIT		95	202
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		95	202
Tax credit / (expense)	8	38	(77)
PROFIT FOR THE FINANCIAL YEAR		133	125
Other comprehensive income		—	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		133	125

All of the amounts above are in respect of continuing operations.

The notes on pages 14 to 28 form part of these financial statements.

Trillium Asset Management UK Ltd.**BALANCE SHEET AT 31 DECEMBER 2020**

	Notes	31 December 2020 £'000	31 December 2019 £'000
NON-CURRENT ASSETS			
Tangible fixed assets	9	—	10
Deferred tax assets	8	13	10
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	337	3,243
Cash at bank and in hand		499	3,679
		<u>836</u>	<u>6,922</u>
Creditors: amounts falling due within one year	11	(128)	(122)
NET CURRENT ASSETS		<u>708</u>	<u>6,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>721</u>	<u>6,820</u>
CAPITAL AND RESERVES			
Called up share capital	12	290	290
Profit and loss reserves	13	1,870	1,737
Capital contribution & other reserves	13	(1,439)	4,793
Shareholders' funds		<u>721</u>	<u>6,820</u>

These financial statements were approved by the Board of Directors on 18 June 2021 and signed on their behalf by:

DocuSigned by:

Richard Sourri

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R Sourri

Director

Company registration number: 07091180

The notes on pages 14 to 28 form part of these financial statements.

Trillium Asset Management UK Ltd.**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £'000	Profit and loss reserves £'000	Capital contribution & other reserves £'000	Total equity £'000
Balance at 1 January 2020	290	1,737	4,793	6,820
Profit for the financial year	—	133	—	133
Total comprehensive income for the year	—	133	—	133
Share based payment transactions	—	—	(232)	(232)
Dividends declared and paid	—	—	(6,000)	(6,000)
Transactions with owners, recorded directly in equity	—	—	(6,232)	(6,232)
Balance at 31 December 2020	290	1,870	(1,439)	721

	Called up share capital £'000	Profit and Loss reserves £'000	Capital Contribution & Other reserves £'000	Total equity £'000
Balance at 1 January 2019	290	1,612	4,825	6,727
Profit for the financial year	—	125	—	125
Total comprehensive income for the year	—	125	—	125
Share based payment transactions	—	—	(32)	(32)
Transactions with owners, recorded directly in equity	—	—	(32)	(32)
Balance at 31 December 2019	290	1,737	4,793	6,820

The notes on pages 14 to 28 form part of these financial statements.

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS****1 ACCOUNTING POLICIES****a) Basis of Preparation**

Trillium Asset Management UK Ltd (or the "Company") is incorporated and domiciled in the UK. These financial statements were prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). They have also been, unless otherwise indicated, prepared on a going concern basis in accordance with the Companies Act 2006. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company was acquired by Perpetual Acquisition Company Limited during March 2021 for £1. Perpetual Acquisition Company Limited is a wholly owned subsidiary of Perpetual Limited, an Australian diversified financial services company.

The Company's ultimate parent, BrightSphere Investment Group Inc., includes the Company in its consolidated financial statements. The consolidated financial statements of BrightSphere Investment Group Inc. are prepared in accordance with US GAAP. BrightSphere Investment Group Inc.'s financial statements are available to the public and may be obtained directly from BrightSphere Investment Group Inc., 200 Clarendon Street, 53rd Floor, Boston, MA 02116, United States, and can also be found on its website at www.bsig.com.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.
- Disclosures in respect of capital management

As the consolidated financial statements of BrightSphere Investment Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The directors have prepared a going concern assessment for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through in downside cases funding from its ultimate parent company, Perpetual Limited, to meet its liabilities as they fall due for that period.

The assessment is dependent on Perpetual Limited providing additional financial support during that period. Perpetual Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the assessment. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

b) Income and Expenses

Income and expenses are recognised in the financial statements on an accrual basis.

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****1 ACCOUNTING POLICIES (Continued)****c) Foreign Exchange**

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

d) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

e) Financial instruments

Financial instruments comprise of trade and other debtors, cash and cash equivalents and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other creditors

Trade and other creditors are recognised initially at cost. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****1 ACCOUNTING POLICIES (Continued)****f) Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets at the following rates:

Computer equipment	33% per annum
Furniture & Fixtures	20% per annum

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

g) Employee Benefits*Defined contribution plans*

The Company operates a defined contribution pension scheme. A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reasonably.

Share-based payment transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for equity instruments in BrightSphere Investment Group Inc. are accounted for as equity-settled share-based payment transactions. The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using the share price at grant date. The amount recognised as expense is adjusted to reflect the actual number of awards for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the service conditions at the vesting date.

h) Impairment

At each Balance Sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****1 ACCOUNTING POLICIES (Continued)****h) Impairment (Continued)**

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

i) Turnover

The Company earns revenue through a service agreement it entered into with Brightsphere Inc. Under the terms of this service agreement, the Company markets and distributes the investment strategies and products of Brightsphere Inc and its affiliates to markets outside of the United States. As compensation for these services, the Company receives from BrightSphere Inc. a fee equal to 110% of the Company's annual operating expenses. The Company recognises revenue from the service agreement when underlying performance obligations have been performed and the revenue has been earned.

Financial risk management**Credit risk**

Credit risk refers to the risk that a customer or counterparty to a financial instrument will fail to meet its contractual obligations resulting in financial loss to the consolidated entity. Credit risk arises principally from the Company's cash and receivables which are primarily due from its Parent entity and UK government entities. The Company mitigates its credit risk by ensuring cash deposits are held with high credit quality financial institutions. No financial assets were past due or impaired.

The maximum exposure of the Company to credit risk on financial assets which have been recognised on the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. The table below outlines the consolidated entity's maximum exposure to credit risk as at reporting date:

	Year ended 31 December 2020	Year ended 31 December 2019
	£'000	£'000
Cash and cash equivalents	499	3,679
Trade receivable	337	3,243
	836	6,922

Trillium Asset Management UK Ltd.**Financial risk management (continued)****Liquidity risk**

Liquidity risk is the risk that the financial obligations of the Company cannot be met as and when they fall due without incurring significant costs.

The Company manages liquidity risk by continually monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. A forecast of liquid assets, cash flows and balance sheet is reviewed by the Board on an annual basis to ensure there is sufficient liquidity within the Company.

The tables below show the maturity profiles of the financial liabilities of the Company. These have been calculated using the contractual undiscounted cashflows.

	31 December 2020				31 December 2019		
	Less than 1 year £'000	1 to 5 years £'000	Greater than 5 years £'000	TOTAL	Less than 1 year £'000	1 to 5 years £'000	TOTAL
Liabilities							
Payables	128	-	-	128	122	-	122
TOTAL	128	-	-	128	122	-	122

There were no financial liabilities maturing in more than five years as at 31 December 2019 and 2020.

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk

The exposure to currency risk arises when financial instruments are denominated in a currency that is not the functional currency of the Company and are of a monetary nature.

The currency risk is limited to the revenue earned from the Company's parent, BrightSphere Inc. which the Company records as a receivable until payment is received from BrightSphere Inc. Cash is maintained in GBP.

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Amounts due from related party entities within the BrightSphere Investment Group Inc.	131	3,171
	131	3,171

(b) Interest rate risk

Interest rate risk is the risk to the Company's earnings and capital arising from changes in market interest rates. The financial instruments held that are impacted by interest rate risk consist of cash.

At 31 December 2020

Financial assets	Floating interest	Fixed interest rate	Non- interest	Total
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Trillium Asset Management UK Ltd.

	rate £'000	£'000	bearing £'000	
Cash and cash equivalents	499	0	0	499
Total	499	0	0	499

At 31 December 2019

Financial assets	Floating interest rate £'000	Fixed interest rate £'000	Non- interest bearing £'000	Total
Cash and cash equivalents	3,679	0	0	3,679
Total	3,679	0	0	3,679

2 TURNOVER

Turnover comprises primarily of recharges received from the Company's parent, BrightSphere Inc., in respect of services carried out by the Company, and investment management fees from a third party client. Turnover is comprised of the following:

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Turnover:		
BrightSphere Inc. recharges	1,054	1,830
Investment management fees	—	949
Other fees	—	35
	1,054	2,814

3 SUB ADVISORY AND SERVICES AGREEMENTS

The Company has entered into a service agreement with BrightSphere Inc. Under the terms of the agreement, the Company provides services to other BrightSphere Inc. affiliates relating to the marketing and distribution of investment strategies and products of such affiliates. As compensation for these services, the Company receives from BrightSphere Inc. a fee equal to 110% of the Company's annual operating expenses.

Trillium Asset Management UK Ltd.**4 Administrative expenses**

The administrative expenses were as follows:

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Auditor's remuneration - statutory audit services	35	23
Auditor's remuneration - non-audit services	12	11
Auditor's remuneration - Tax compliance services	—	8
Compensation & Benefits	520	1,114
Transfer expense	—	948
Share based payment Compensation	(4)	(32)
Rent & Depreciation	137	170
Travel & Entertainment	18	105
Legal	12	12
Consultants	91	60
IT / Technology costs	59	85
Insurance	10	30
Other	69	78
Total administrative expenses	959	2,612

Trillium Asset Management UK Ltd.**5 DIRECTORS' REMUNERATION**

The remunerations noted below represent a portion of the total remunerations received by these Directors as apportioned for the time incurred for service to the Company.

	Year ended	Year ended
	31 December 2020	31 December 2019
	£'000	£'000
Directors' remunerations for services to the Company	204	234
Company contributions to money purchase pension schemes	10	10
	<u>214</u>	<u>244</u>

The aggregate value of contributions to the Company pension scheme in respect of Directors qualifying services totaled £10k (31 December 2019: £10k).

The remunerations of the highest paid Director were £360k (31 December 2019: £375k). The highest paid Director is a member of the defined contribution scheme, therefore employer contributions were made during the period (31 December 2020: £10k, 31 December 2019: £10k).

All Directors' remunerations are paid for by other BrightSphere Investment Group Inc. companies. The Directors holding office during the year ended 31 December 2020 consider that their services to the Company are incidental to their other duties with the other BrightSphere Investment Group Inc. companies and accordingly no remuneration has been apportioned to this Company.

Retirement benefits are accruing to one Director under the Company's defined contribution scheme.

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****6 STAFF NUMBERS AND COSTS****a) Average number of employees**

The average number of persons (including Directors) employed by the Company during the period was 2 (31 December 2019: 11).

b) Employment costs, including

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Wages and salaries	199	444
Social security costs	189	176
Other employment costs and compensation	86	364
Other pension costs	43	98
	<u>517</u>	<u>1,082</u>

7 EMPLOYEE BENEFITS**a) Defined contribution plans**

The Company contributes to a Group Personal Pension scheme for the majority of its employees. The core contribution is 9% of relevant pensionable earnings. Costs for the period under the above scheme totaled £20k (31 December 2019: £75k).

b) Share based payments

During the year ended 31 December 2020, the Company had the following share-based payment arrangements in place:

Type of arrangement	Description of award	Contractual life	Vesting conditions	Settlement treatment
BrightSphere Investment Inc. Equity Incentive Plan	BrightSphere Investment Group Inc. restricted shares/stock units listed on the NYSE. Employees receiving restricted shares are eligible for dividend payments throughout the vesting period. Employees receiving stock units are eligible for dividend equivalents upon vesting.	One to three years	Service over a one to three year period and in certain circumstances achievement of a performance metric.	Equity settled

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****8 TAXATION****a) Total income tax charge:**

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Current tax charge	(35)	26
Deferred tax charge	(3)	51

b) Reconciliation of income tax expense:

The tax on the Company's profit before tax differs from the standard rate of corporation tax in the UK of 19% (2019 - 19%)
The differences are explained below:

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Profit before taxation	95	202
Tax at standard rate of 19% (2019:19%)	18	38
Effects of:		
Non-deductible expenses	—	3
Deferred tax asset adjustment		20
Canada Tax		36
Short Term timing differences	(7)	(16)
Adjustments to deferred tax for changes in rate	(1)	(6)
Adjustments in respect of previous periods	(48)	2
Total income tax (credit) / expense	(38)	77

Trillium Asset Management UK Ltd.**8 TAXATION (continued)****c) Factors that may affect future tax charges:**

As at the balance sheet date, the government has enacted legislation to keep the corporation tax rate at 19% until 31 March 2022. The Company's deferred tax assets carried forward are disclosed below, in accordance with the Company's accounting policies. The Company has recognised the deferred tax assets as of 31 December 2020 as the Company has considered that future year profits will be sufficient to utilise the tax assets carried forward.

	Year ended	Year ended
	31 December 2020	31 December 2019
	£'000	£'000
Excess of capital allowances over depreciation	26	(98)
Short-term temporary differences	38	149
Non-trade loan relationship deficit	5	5
Total	69	56
At 19% (2019: 19%)	13	10

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****9 TANGIBLE FIXED ASSETS**

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
COST		
At 1 January	133	133
Additions	—	—
At 31 December	<u>133</u>	<u>133</u>
ACCUMULATED DEPRECIATION		
At 1 January	(123)	(118)
Charge for the year	<u>(10)</u>	<u>(5)</u>
At 31 December	<u>(133)</u>	<u>(123)</u>
NET BOOK VALUE		
At 31 December	<u>—</u>	<u>10</u>

10 DEBTORS

	31 December 2020 £'000	31 December 2019 £'000
Prepayments	8	37
Other debtors	198	35
Amounts due from other BrightSphere Investment Group Inc. undertakings (see below) – interest free and due on demand	<u>131</u>	<u>3,171</u>
	<u>337</u>	<u>3,243</u>
Amounts due from other BrightSphere Investment Group Inc. undertakings is comprised of the following balances:		
BrightSphere Inc.	—	2,913
Barrow, Hanley, Mewhinney & Strauss, LLC	—	237
BrightSphere Investment Group Inc.	<u>131</u>	<u>21</u>
	<u>131</u>	<u>3,171</u>

Trillium Asset Management UK Ltd.**NOTES TO THE FINANCIAL STATEMENTS (Continued)****11 CREDITORS: amounts falling due within one year**

	31 December 2020	31 December 2019
	£'000	£'000
Accrued compensation	83	174
Accounts payable & accrued expenses	45	112
Corporation tax payable	—	(164)
	<u>128</u>	<u>122</u>

12 SHARE CAPITAL

	31 December 2020	31 December 2019
	£'000	£'000
AUTHORISED:		
290,000 ordinary shares of £1 each	<u>290</u>	<u>290</u>
ISSUED, CALLED UP AND FULLY PAID:		
290,000 ordinary shares of £1 each	<u>290</u>	<u>290</u>

13 RECONCILIATION OF MOVEMENTS IN RESERVES

The Capital contribution reserve represents amounts funded by the parent company, BrightSphere Inc. These amounts will not be repaid.

	Profit and loss reserves	Capital contribution & other reserves
	£'000	£'000
At beginning of period	1,737	4,793
Profit for the financial year	133	—
Share based payments transactions	—	(232)
Dividends declared and paid	—	(6,000)
Shareholder's funds as at 31 December 2020	<u>1,870</u>	<u>(1,439)</u>

Trillium Asset Management UK Ltd.

13 RECONCILIATION OF MOVEMENTS IN RESERVES
(continued)

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 members and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company is required to maintain a sufficient level of capital to remain compliant with their FCA authorisation. The Company retains a surplus in excess of this capital requirement.

Trillium Asset Management UK Ltd.**14 RELATED PARTY TRANSACTIONS**

Details of balances with related parties are disclosed in Notes 10 and 11. Related party transactions during the year include:

	31 December 2020	31 December 2019
	£'000	£'000
Turnover:		
BrightSphere Inc.	1,054	1,830
Barrow, Hanley, Mewhinney & Strauss, LLC	—	35
	<u>1,054</u>	<u>1,865</u>
Share based payment transactions	(232)	(32)

15 PARENT UNDERTAKING**ULTIMATE PARENT UNDERTAKING**

As of 31 December 2020, the Company was a subsidiary undertaking of BrightSphere Investment Group Inc., the ultimate parent, which is incorporated under the laws of the state of Delaware in the United States. Its financial statements are available from:

The Secretary, BrightSphere Investment Group Inc., 200 Clarendon Street, 53rd Floor, Boston, MA, 02116, United States.

IMMEDIATE PARENT UNDERTAKING

BrightSphere Inc.

200 Clarendon Street, 53rd Floor, Boston, MA 02116.

Please note that as of March 2021, the Company was acquired by Perpetual Acquisition Company Limited. Perpetual Acquisition Company Limited is the immediate parent of the Company. Perpetual Acquisition Company Limited is a wholly owned subsidiary of Perpetual Limited, an Australian diversified financial services company. Perpetual Limited is currently the ultimate parent of the Company.

The address of the current ultimate parent of the Company is:
Level 18, 123 Pitt Street
Sydney, NSW 2000
Australia

As of April 2021, the Company's name was changed from Brightsphere International Limited to Trillium Asset Management UK Ltd.

16 SUBSEQUENT EVENTS

The Company was acquired by Perpetual Acquisition Company Limited during March 2021 for £1. Perpetual Acquisition Company Limited is a wholly owned subsidiary of Perpetual Limited, an Australian diversified financial services company.

The Company's name was changed from Brightsphere International Limited to Trillium Asset Management UK Ltd.

The share-based arrangement discussed in Note 7 fully vested after the Company was acquired by Perpetual Acquisition Company Limited.

There were no other subsequent events occurring between the year end of 31 December 2020 and the date when the financial statements were authorised for issue which require disclosure on the financial statements.