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GENERATION INVESTMENT MANAGEMENT LLP

MEMBERS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2020

PARTNERSHIP REGISTRATION NUMBER: OC307600

COMPANIES HOUSE

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JUN 2021

MISSION AND VALUES OF THE FIRM

MISSION

To deliver superior investment performance by consistently taking a long-term view and fully integrating sustainability research within a rigorous framework of traditional financial analysis. Delivering outstanding investment results will also achieve our goal of proving the business case for Sustainable Capitalism.

To create long-term client partnerships by delivering unique investment insights and exceptional client service.

To attract, retain and develop the best professionals within a passionate investment culture and with whom we share a commitment to our values.

VALUES

COMMITMENT TO CLIENTS

We are committed to providing exceptional client service – above all by delivering superior long-term performance – and by ensuring that our interests are fully aligned with those of our clients.

INTEGRITY

Integrity and honesty form the bedrock of our business. We expect the highest ethical standards in our work and personal lives.

EXCELLENCE AND INNOVATION

We aim for excellence in all that we do, and ensure that our investment processes encourage rigorous research, curiosity and continuous learning. We believe interdisciplinary, diverse teams are the most likely to yield new insights and produce the best results for our clients over the long-term.

TEAMWORK

Teamwork underpins our one-firm culture. We consider each of the women and men with whom we work as individuals entitled to respect and dignity, and we recognise and reward their contributions on the basis of merit.

COMMUNICATION

Effective communication is critical to teamwork and to our relationships. We encourage and especially value hearing different viewpoints and respectful challenges to consensus opinions.

DIVERSITY

Diversity, in the broadest sense, helps drive our success. A welcoming work environment, where individuals can bring the totality of their experience and perspectives, is an invaluable contributor to greater economic success.

SUSTAINABILITY RESEARCH

Our investment philosophy, which integrates sustainability research with traditional financial analysis, affords us the highest opportunity to deliver outstanding investment results.

INDEPENDENCE

We have chosen an independent, private, owner-managed partnership as an enduring business model. Similarly, we are committed to remaining a boutique investment firm focused on continual improvement in our performance.

RESPONSIBLE CITIZENSHIP

We recognise and accept our responsibility to live in accordance with our values, to be responsible to the communities in which we live and work, and to the world community. We aim to reduce our environmental footprint where possible; we are mindful of ways to help our employees fulfil their personal responsibilities; and we actively encourage philanthropic engagement.

SUSTAINABLE CAPITALISM

Through engagement with our clients, our portfolio companies and the broader financial markets, we strive to promote a more sustainable form of capitalism. The Generation Foundation is an important element of this work.

MEMBERS AND PROFESSIONAL ADVISORS

The Partners who served Generation Investment Management LLP ("Generation", "Partnership", "limited liability partnership" or "LLP") during the year and up to the date of signing the financial statements were as follows:

DESIGNATED MEMBERS AND PROFESSIONAL ADVISORS

Designated members:

D W Blood *
A M Marshall *
A C Sullivan

Other members:

L Anderson *
J D Bernstein
G A L Bennett
M K Bray
P Coates
D Deme
B P Dineen
D Easton (Appointed 1 January 2021)
M Ferguson *
E Gilmore *
A A Gore *
P Harris
T Hodges (Appointed 1 January 2021)
M A Huang
P R Jain
V Jain
N Kukrika
C M le Duc
F M Lugangira
M K McBrinn
H A Mehn
M C Mills
A M Mobbs
R Narayanan
M R Nogales *
L M Preston *
R Rajeswaran
L Rigo (Appointed 1 January 2021)
E N Rosenthal
J M Tuffield
L Wollman (Resigned 31 December 2020)
A C Woolf
Z Yin (Resigned 31 March 2021)

Registered office and business address:

20 Air Street
London
W1B 5AN

Independent auditors:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

* Member of the Management Committee of LLP Members

SENIOR PARTNER LETTER*

Research clearly shows that smart climate policy is both the most effective strategy to create more high-quality jobs and a better way to allocate risk-adjusted capital.

The pandemic, with all its still-unfolding suffering, now presents us with a once in a century obligation to rethink the outcomes that society deserves and the relationship between business, markets, government and society. We at Generation see this moment as a rare chance to help build a better, safer and more equitable and inclusive economy.

Our 2021 Senior Partner letter will address how Generation is contributing to the build back better imperative and the transition to net zero. However, we start with a hopefully familiar description of Generation and our firm updates.

Generation is a pure play sustainable investment manager – it is all we do, and all we will ever do. We see long-term investing as best practice and sustainability as the organising construct of the global economy. We use Environmental, Social and Governance (ESG) factors as tools to evaluate the quality of businesses and management teams. We believe this approach reveals important and relevant insights which other investment frameworks may leave undiscovered – and that these insights ultimately lead to superior, risk-adjusted investment results.

The way we operate our firm is a critical indicator of our commitment to generate positive impact. There are 33 Members at the firm of whom 12 are women (or 36%). Our promotion and remuneration processes are rigorous and meritocratic. There is equal compensation for equal roles. However, on a UK government-endorsed statistical basis, Generation still has a disappointing gender pay gap. This is due to a large percentage of associate level colleagues who are women and fewer senior women investment professionals.

We also recognise we have important and unfinished work to do in achieving a more inclusive firm and industry. In 2020, as part of our ongoing commitment to equality, we launched a process to look at our diversity and inclusion practices and, as a next step, will establish an action plan for how we can address the risk of systemic bias in our firm and the investment industry more broadly. Underlying this commitment is the recognition that diversity and inclusion drive performance, and that barriers within the investment industry today limit some from achieving their potential.

During 2020, the firm strengthened its commitment to engagement by appointing a director of engagement. This new role enables us to structure more ambitious programmes, use voting strategically in support of our engagement objectives and escalate the intensity of our engagement where necessary. This approach also facilitates increased collaboration and engagement with other asset managers.

Our flagship Sustainability Trends Report (STR) reached a wider audience in the past year. For 2021, in addition to our fifth annual STR, we plan to publish new Sustainability Insights pieces on several topics, including net zero investing, the future of work and decarbonising data. Lastly, we have invested to ensure our workspaces meet the highest environmental impact standards. Our London office is certified BREEAM Excellent, and the interior fit out achieved SKA Gold. Our San Francisco office obtained a LEED Platinum certification. In addition, we recently installed a new state-of-the-art teleconferencing capability, and after the lifting of pandemic restrictions, our aim is to travel to fewer long-distance meetings as the quality of the virtual experience improves.

THE GENERATION FOUNDATION

The members of Generation allocate 5% of distributable profits to the Generation Foundation each year.

The Foundation has matured and developed since its inception. Seventeen years ago, when the Foundation began, its role was to introduce and explain sustainable investment to a wider audience – even as we endeavoured to help prove with our returns that sustainable investing should be recognised as best practice. Since then, as the sustainable investment landscape developed, the activities of the Foundation evolved alongside it.

*The Senior Partner letter addressed clients and was distributed on 11 March 2021

SENIOR PARTNER LETTER (CONTINUED)

In 2020, the Foundation entered the next phase of its work, shifting to focus on targeted actions that contribute to two related impact goals: limiting global warming to 1.5 degrees and creating fairer, inclusive economies. In pursuit of those goals, the Foundation's strategy targets urgent interventions in four areas chosen for their impact potential and alignment with our expertise: carbon pricing, investor climate action, economic inequality, and gender inclusion and empowerment.

We are proud of Generation's culture of service, exemplified by the fact that 97% of our colleagues participated in the Foundation's matched giving programme in 2020.

THE URGENCY OF OUR CLIMATE CRISIS REQUIRES TRANSFORMATIONAL CHANGE

While parts of society have made extraordinary progress over the last decade, even a doubling of this incremental change will not be sufficient to help achieve the objective of limiting global temperature rise to 1.5 degrees.

To be clear, aligning with a 1.5-degree world requires that we halve global greenhouse gas (GHG) emissions in the next 10 years and that we achieve net zero emissions in 30.

Entire sectors will need to be transformed: energy, agriculture and food, fishing and ocean protection, forestry, the built environment, mobility and transport and other carbon-intensive businesses such as chemical processing, metallurgy, cement and heavy manufacturing. In addition, industries not typically associated with climate change – like technology, healthcare, finance and investment management itself – will be materially impacted as we decarbonise. In essence, everything we have done and are doing today will need to change.

COMMITMENT TO NET ZERO BY 2040

In July 2020, Generation committed to align its investment portfolios with net zero emissions by 2040.

We made this commitment to our clients because leadership on the climate crisis is critical, and we believe that managing climate risk and opportunity is inseparable from our fiduciary responsibility. In the months following our commitment, we worked with peers and partners, in particular the Institutional Investors Group on Climate Change (IIGCC), to establish a new Net Zero Asset Managers initiative (NZAM) – a coalition of like-minded managers committed to investing in line with net zero emissions by mid-century.

At launch in December 2020, the initiative had 30 founding signatories from around the world, with a combined USD 9 trillion of assets under management, recruited through the work of several groups, including IIGCC and Ceres with their members and with the support of the High-Level Climate Champions for Climate Action, which our Foundation has continued to support. For organisations considering a net zero commitment, we suggest a framework which includes:

- 1- **Measurement and Reporting** – Are your portfolios already aligned with the Paris Agreement? Does your reporting provide clients with information and analytics on the path to net zero investing and identify climate risks and opportunities?
- 2- **Engagement** – Does your institution embrace an active stewardship and engagement strategy consistent with an ambition for all assets under management to achieve net zero emissions by 2050 or sooner, with a clear escalation and voting policy?
- 3- **Investment** – The United Nations Environment Programme estimates the financing gap to achieve 1.5 degrees to be USD 2 trillion a year through 2050. Resolving the multi trillion-dollar climate finance gap will require that all actors – individuals, companies, asset managers and asset owners – raise their ambition in investing in transition assets to align to net zero. What is your plan to invest?
- 4- **Collaboration** – How is your institution seeking to urgently resolve any ambiguities in its industry around taking action? It is critical to work with standards-setters, investor groups, NGOs and regulators to share best practice and settle on a common approach.

SENIOR PARTNER LETTER (CONTINUED)

INNOVATION IN CAPITAL ALLOCATION WILL BE REQUIRED

Well before the COVID-19 pandemic, an increasing number of asset owners, investment managers and companies were taking steps toward addressing longer-term challenges facing businesses and society by embracing sustainable capitalism.

While this is welcome, we must ensure sustainability and ESG standards are set at higher and robust levels. In addition, we must make certain that net zero and social intervention commitments are ambitious enough to address the challenges of our climate crisis, achieve the Sustainable Development Goals (SDGs) and accomplish the Just Transition so necessary in the decade ahead.

In our judgement, it is increasingly apparent that innovation in capital allocation will be needed to complement existing approaches if the investment management industry is truly serious about fully decarbonising the economy – starting with its portfolios – and achieving a Just Transition. Put another way, unconventional risks will need to be taken in order to achieve true, at-scale change.

Investment managers will be evaluated against three criteria going forward: risk, return and impact. Impact can no longer be an externality. As we have long believed, all investing has impact, for good or ill, and it should be taken into account routinely. Consideration of material ESG issues in investment decision-making is already required, thanks to a shifting policy landscape and ever-improving data that have removed any remaining doubt that ESG issues are material. Over the next five years there will be a greater focus on impact, measurement and reporting. Allocating capital to achieve positive impact is the only way we can bring about a net zero, prosperous, equitable, healthy and safe society.

GENERATION'S 2021 IMPACT INITIATIVES

As a boutique firm with high aspirations, we know well that we must focus our efforts carefully and collaborate with and motivate others.

Our impact strategy seeks to leverage our core strengths of differentiated research, 17 years of experience, convening power and investment results. Highlights from some of our dedicated Impact Initiatives follow:

JUST CLIMATE

Generation is excited to be launching Just Climate, a new, self standing, climate-first investment business. Just Climate's mission is to identify, catalyse and invest in solutions that will help achieve net zero and 1.5 degrees. Its *long-term ambition is to be avoiding or removing, through its investments and catalysing others, one Gigaton of GHG per year by 2030 via a Just Transition.* Just Climate seeks to be transformational – by investing in companies that can accelerate and catalyse the scaled deployment of high-impact technologies, projects and hard assets.

NATURAL CLIMATE SOLUTIONS

To achieve net zero, we must reimagine our relationship with nature. Today's approach to land use and agriculture is a major source of GHG, biodiversity loss and exploitation. A fundamental change and scaling of natural climate solutions (NCS) have the potential to deliver more than 30% of the emissions reductions required for net zero. This transition is less well understood than those in sectors like energy and transportation. Consequently, Generation has started working with New Forests, a specialist in sustainable real asset investing, together with Conservation International, The Nature Conservancy, World Resources Institute, Ceres and others to mobilise more investor resources into NCS. Our kick-off convening in February attracted 35 asset owners representing USD 10 trillion in assets, and we are eager to accelerate attention and capital deployment into this promising area.

SENIOR PARTNER LETTER (CONTINUED)

COP26

We expect to leverage our client relationships and use our convening power to host a series of asset owner gatherings leading up to the 2021 United Nations Climate Change Conference (COP26). We will make the case for urgent and transformational capital allocation to achieve net zero by 2050. We will also encourage more robust carbon reporting aligned with the Task Force on Climate-related Financial Disclosures. As COP26 approaches in the autumn, we are partnering with TED Conferences to convene capital markets leaders one month before COP26 in order to better mobilise commitment at COP itself.

CLIMATE TRACE

The Climate TRACE (Tracking Real-Time Atmospheric Carbon Emissions) coalition is building the world's first tool to identify, quantify and trace all significant human-caused GHG to their sources in real time, using space-based images and data from existing satellite constellations, data streams from land, sea and air-based sensors – combined with artificial intelligence and machine learning. When activated later this year, the tool is designed to bring radical transparency to the global dialogue under the Paris Agreement. When the data becomes available from Climate TRACE (with much of the data updated every six hours), investors will be able to precisely quantify the emissions associated with their investments.

RELENTLESS COMMITMENT TO ACTION

In the journey to net zero, there are important differences between goals, plans and action.

Sadly, the current gaps between them are significant. As finance professionals, we are in a position to have an impact. It also means we have a moral obligation to do so. Simply put: for the sake of our planet, the time for mere talk has passed. From now on, we will be judged by our actions.

So, it is appropriate for you to ask: against what outcomes should you evaluate Generation over the next five years? Firstly, and most critically, we will continue to focus on our dual mission of delivering strong, risk-adjusted investment results and helping to prove the business case for sustainable capitalism. This mission is why we founded Generation 17 years ago and is arguably even more relevant today than it was then. Secondly, we are committed to ensuring gender balance on all governing bodies at Generation. Lastly, we will work with industry peers to address the barriers which often challenge diverse investment professionals from achieving their potential.

In addition, we will work with others to achieve five societal objectives by 2025:

- 1- A global price on carbon;
- 2- A Just and Inclusive Transition ensuring workers are empowered through receipt of a living wage;
- 3- Commitments by all asset managers, asset owners, insurance companies and banks to a 2050 or sooner net zero target with robust portfolio alignment reporting;
- 4- Deforestation-free supply chains; and
- 5- Capital allocation frameworks to measure risk, return and impact – which, again, can no longer be deemed an externality – adopted as a best practice.

At Generation, we believe the next decade will be the most important of our careers. The world needs and deserves leadership from the financial sector. We need to raise ambition. We need to be uncomfortable. We need to change what people think is possible. But most importantly, we need a relentless commitment to action.

David Blood, Senior Partner
on behalf of the members and employees of Generation Investment Management

MEMBERS' REPORT

The members have pleasure in presenting their report and the audited consolidated financial statements of Generation Investment Management LLP and its subsidiaries (together the "Group") for the year ended 31 December 2020.

OUR ORGANISATION AND ITS GOVERNANCE

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

Generation Investment Management LLP is an independent, private, owner-managed limited liability partnership.

The Group is dedicated to the principles of long-term investing, integrated sustainability research and client alignment. Its principal activity is the provision of investment management services to institutional clients and other sophisticated investors.

The Partnership is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"). Although the Partnership is not registered with the U.S. Securities and Exchange Commission ("SEC") as a Registered Investment Advisor, it files reports as an Exempt Reporting Adviser. The Partnership's subsidiary, Generation Investment Management US LLP ('US LLP'), is registered with the SEC as a Registered Investment Advisor.

DESIGNATED MEMBERS

The following Designated members held office during the year:

- D W Blood
- A M Marshall
- A C Sullivan

GROUP STRUCTURE

The US-based individual members of Generation Investment Management LLP are direct partners in Generation Investment Management US LLP in addition to being members of Generation Investment Management LLP. These individuals hold varying amounts of partnership capital in the US LLP and are entitled to allocations of profits from this partnership.

As a result of this, the interests of these members in the US LLP are considered to form a non-controlling interest in the Group results as reflected in these financial statements. The impacts of this include a separate disclosure regarding the allocation of Group profits deriving from the US LLP in the Consolidated Statements of Comprehensive Income; and the allocation of Equity interests in the Group Statement of Financial Position and the Consolidated Statement of Changes in Equity: see Note 18 for further details.

GOING CONCERN

The Group has adequate financial resources and as a consequence, the members believe that the Group is well placed to manage its business risks successfully. After making inquiries including consideration of the ongoing COVID-19 situation, the members have a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

MEMBERS' REPORT (CONTINUED)

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The Group's total consolidated profit for the year was £242.9m (2019: £284.7m), of this the profit for the year available for discretionary division to members of Generation Investment Management LLP was £216.8m (2019: £254.5m). The remaining profit for the year of £26.1m (2019: £30.1m) was available for discretionary division between the members of the partnership who have a direct partnership interest in the US LLP.

The total net assets of the Group as at 31 December 2020 were £165.0m (2019: net assets of £137.3m). Of these £154.1m (2019: £130.2m) were attributable to the members for the partnership while £10.9m (2019: £7.1m) were attributable to the non-controlling interest as held by the individual direct members in US LLP. This non-controlling interest in the assets represent the total capital contributions made by these partners into the US LLP together with their allocated share of the undistributed profits of that entity.

GOVERNANCE

David Blood (Senior Partner) together with the other members of the Management Committee are responsible for the supervision of the firm with regards to its actions in meeting its mission and values. The Senior Partner has specific responsibility for ensuring the firm has an effective organisational structure which is consistent with its goals and objectives. In conjunction with the Management Committee he is tasked with developing the firm's strategic direction and protecting its culture and values. The Management Committee is Generation's senior governing body. Its primary responsibility is to prepare and execute on the firm's business plans. Other key functions include monitoring the performance of the Senior Partner, ensuring the adequacy of the firm's risk management arrangements, agreeing the remuneration arrangements of the staff and members and conducting oversight of the investment committees of Generation's investment strategies. All the members of the Management Committee have been designated as Senior Managers under the FCA's Senior Manager and Certification Regime and have been allocated specific individual responsibilities for which they are fully accountable to the FCA. The Management Committee is supported by a committee structure as follows:

- The Operating Committee (which serves as the oversight group to business heads, who handle daily workflow and manage risk events).
- The Remuneration Committee (which implements the Remuneration Policy approved by the Management Committee).
- The Risk Oversight Group ("ROG") (instructed by the Management Committee to provide focused support and governance on risk matters).
- The Valuation Oversight Group (which implements the Valuation Policy approved by the Management Committee).

In particular, the Management Committee delegates the day to day execution of operational matters to the Operating Committee, including items that are flagged at the Risk Oversight Group as requiring attention. Amongst others, Generation's Heads of Legal and Compliance, Control, Risk, Trading, Personnel, Technology and Finance sit on the Operating Committee alongside the firm's Chief Operating Officer.

The Operating Committee is accountable to the Management Committee for the oversight of the operational functions of the corporate management business units of the firm, and organizes the day-to-day activities carried out by each of these units within the firm. In general terms, the committee is tasked to monitor the performance and risk of each business unit, formulate long-term strategy and make unbiased policy decisions, and it is also accountable to the Management Committee for execution of firmwide strategy in the operational functions of Generation, as set out in the charter.

MEMBERS' REPORT (CONTINUED)

GOVERNANCE (CONTINUED)

Although ultimately responsible and accountable, the Management Committee has delegated the oversight of the firm's risk management arrangements to the ROG. The ROG is a senior governance body with the responsibility for ensuring there are suitable and adequate internal financial controls and risk management systems in place (including those required by the Alternative Investment Fund Managers Directive) and ensuring that Generation performs an assessment and evaluation of the risks facing the firm and the control procedures to manage these risks. The Management Committee has instructed the ROG to provide focused support, oversight and governance on all risk matters. The operation of the infrastructure group, as well as certain regulated activities, is overseen by the Risk Oversight Group, which is chaired by a Non-Executive Officer. In this role, Generation considers the ROG to be functionally independent in its oversight.

Where the ROG identifies material matters in respect of its responsibilities and duties, and considers action or improvement is needed, it makes such recommendations as appropriate to the Management Committee. During 2020, the ROG met on six occasions.

Generation has an internal risk function which reports to the ROG and has responsibility to ensure the firm's systems and controls are regularly reviewed to determine whether such arrangements remain effective and appropriate in respect to the risks faced by the firm. In addition, compliance monitoring programs are conducted by independent compliance consultants, who report to the ROG.

The members of Generation instruct the preparation of an annual Report on Internal Controls in accordance with guidelines from the International Auditing and Assurance Standards Board (ISAE 3402) and the Institute of Chartered Accountants of England and Wales (AAF 01/06). The report sets out our key control objectives and the processes and procedures deployed in achieving them. We are pleased to note that the 2020 report contained a positive opinion on the appropriateness and operation of our key controls. The Report is made available to Generation's clients upon request.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's operations expose it to a variety of financial risks. These are explored in more detail in Note 17 of the financial statements. In accordance with the rules of the Financial Conduct Authority, the Group has published information on its risk management objectives and policies and on its regulatory capital requirements and resources. This information is available at www.generationim.com/disclaimer-and-regulatory-information/.

Risk management is an inherent part of Generation's business activities. The Group's risk management framework and governance structure are designed to provide comprehensive controls and ongoing management of its principal risks.

In December 2020 it was noted that some EU States have implemented or are considering implementing Temporary Permissions Regimes, whereby UK investment firms can apply to continue to provide investment services into those States. Generation has taken advantage of such opportunities, where presented, to ensure that it is able to continue to market into the EU post 31 December 2020. To date Generation has been granted such temporary licences to provide services to professional clients in Belgium, Denmark, Luxembourg and Norway. Consequently, Generation can rely on the national equivalence regime to provide MiFID services to per se professionals on a cross-border basis. Although Brexit work continues to require resource commitment, we believe that the Group is well placed to continue its business undisturbed by Brexit and we do not anticipate any ongoing significant financial impacts to the Group.

The Group continues to monitor developments around the Coronavirus (COVID-19): We continue to learn from the challenges 2020 provided and seek to adapt how we manage the crisis during 2021 to reflect the everchanging working environment that we operate in.

MEMBERS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES (CONITNUED)

Information security or cybersecurity risk management remains one of the firm's key operational risk areas of focus. We are vigilant and continue to keep abreast of the latest risks, while taking measures to mitigate them. We are working with our technology service provider and other external specialists to ensure our systems are constantly monitored for any potential attacks and put in place plans to effectively manage any breaches.

POLICY WITH RESPECT TO MEMBERS' DISTRIBUTIONS AND THE SUBSCRIPTION AND REPAYMENTS OF MEMBERS' CAPITAL

Distribution of profits can be made at the discretion of the Management Committee, taking into account a range of factors including the anticipated liquidity requirements of the LLP and the relevant member shares.

Distributions may be paid net of a tax retention which is released to members to pay tax as required. The balance of tax retained from members is shown within amounts due to members in Note 20. A member may at any time and with the agreement of the Management Committee make a further contribution to the LLP by way of equity or debt.

CAPITALISATION

The current level of capital is considered to be sufficient to permit Generation to meet its business and regulatory requirements.

EMPLOYEE INCENTIVE BENEFIT PLAN (EIBP)

The Group promotes the alignment of employee interests with those of its clients. The Group operates an Employee Incentive Benefit Plan ("EIBP") to further this alignment as detailed in Note 11. Generally, and subject to the EIBP Rules, the awards vest after three years and after five years the investments may be realised and cash payments made based upon the current redemption value of those investments. In respect of the majority of these awards, Generation has made contributions to an Employee Benefit Trust (Note 11). This trust currently holds assets valued at £8.5m (2019: £7.2m) with the Group having made an offsetting provision of £7.1m (2019: £5.5m) in respect of the deferred remuneration due to employees and members. For other scheme awards (Note 13) the Group holds current assets on its statement of financial position valued at £1.5m (2019: £1.7m) with a provision of £1.2m (2019: £1.3m) in respect of the deferred remuneration due to employees and members (Note 15).

FCA REMUNERATION CODE DISCLOSURES

In accordance with the rules of the Financial Conduct Authority, the members comply with the FCA Remuneration Code disclosures. This information is available at www.generationim.com.

MEMBERS' REPORT (CONTINUED)

PEOPLE

At Generation, our people are our business and we strive to attract, retain and develop the best professionals and foster a healthy, team-oriented, diverse culture that enables us to deliver the best possible results for our clients.

We are committed to hiring and retaining the people who share our vision for a more sustainable economy. Our people are a testament to this commitment. Teamwork underpins our one-firm culture. We consider each of the women and men with whom we work as individuals entitled to respect and dignity.

As of 31 December 2020, 98 people worked at Generation from 21 nationalities, speaking 33 languages combined. Overall 52% of our total workforce is female, including 36% of Partners and 38% of the Management Committee. Our promotion and remuneration processes are rigorous and meritocratic. There is equal compensation for equal roles.

We recognise we have important and unfinished work to do in achieving a more inclusive firm and industry. In 2020, we launched a process to look at our diversity and inclusion practices and, as a next step, will establish an action plan for how we can address the risk of systemic bias in our firm and the investment industry more broadly. Underlying this commitment is the recognition that diversity and inclusion drive performance, and that barriers within the investment industry today limit some from achieving their potential.

Effective on 9 December 2020 our firm implemented the Senior Managers and Certification Regime (SM&CR) which came into effect in 2019. The SM&CR aims to reduce harm to consumers and strengthen market integrity by making financial services professionals more accountable for their conduct and competence. At Generation, the certification of over 60 colleagues will be an annual process, and all staff will continue to adopt the regime as part of our ongoing business governance framework.

We continue to prioritise sustaining a rigorous compliance environment and responding to the requirements of our regulators. We will closely monitor the pandemic's impact to ensure our offices remain compliant with government health advice and restrictions. The health and safety of our staff remains paramount.

ENVIRONMENTAL FOOTPRINT OF OUR OPERATIONS

CARBON OFF-SETTING

As a firm, we are committed to off-setting what we see as the unavoidable carbon emissions of our business activities on an annual basis. While we strive to manage our usage and sourcing decisions, we recognise the constraints inherent within the necessary business travel, especially air travel. We base the measurement and off-setting of the firm's carbon footprint on our business travel and office use, as well as the carbon emissions created by Generation team members and their families in the course of their personal lives. We chose the highest standard of carbon credit instrument and, more importantly, we ensure that the underlying projects offer sustainable, lower-emission alternatives to existing practices. We consult with third parties to apply the most widely accepted emissions factors to measure our travel, energy use and household data.

Due to COVID-19, our 2020 emissions are much lower than in previous years. The table below demonstrates comparative results showing:

- Absolute emissions have decreased 91% compared to 2019 in line with reductions in Business travel.
- Benchmarked against the number of employees and turnover, emissions per Generation individual have decreased.
- Electricity accounts for the majority of Generation's carbon footprint.

MEMBERS' REPORT (CONTINUED)

CARBON OFF-SETTING (CONTINUED)

Due to the dramatic drop in our carbon emissions in 2020, we decided to offset at the same level as 2019: 1,953 tonnes CO2e for the firm's operational emissions and 1,400 tonnes CO2e on behalf of Generation households. We purchased carbon credits from BioCarbon Partners – a leading African-based forest carbon offset development company. Their vision is to conserve Africa's remaining ecosystems through powerful community impacts. The sale of verified forest carbon offsets creates new jobs, offers educational opportunities and improves healthcare in project areas while also conserving valuable habitat for wildlife. The co-benefits of these projects support the United Nations Sustainable Development Goals. Whilst we appreciate that carbon credits do not provide a complete solution to addressing carbon emissions, they contribute to mitigate our overall environmental impact.

Scope	Emissions Source	2020			2019		
		Energy (kWh)	Emissions (tCO2e)	Intensity Ratio (tCO2e / employee)	Energy (kWh)	Emissions (tCO2e)	Intensity Ratio (tCO2e / employee)
Scope 1 (Direct)	Natural gas consumed in offices	36.01	6.62	0.06	54.45	10.01	0.10
Scope 2 (In-Direct)	Electricity & heating consumed in offices	453.71	103.37	0.99	507.94	138.52	1.34
Scope 3 (Upstream)	Business Travel	264.93	65.65	0.63	7,232.52	1,792.23	17.40
Scope 3 (Upstream)	Hotel Stay	-	1.17	0.01	-	12.04	0.12
Scope 3 (Upstream)	Water Consumption	-	0.13	0.00	-	0.45	0.00
Scope 3 (Upstream)	Waste Disposal	-	0.03	0.00	-	0.07	0.00
Scope 3 (Upstream)	Building Fit Out SKA Gold	-	2.73	0.03	-	-	-
TOTAL		754.65	179.70	1.72	7,794.91	1,953.32	18.96

70% of the total global emissions for the group in 2020 related to our London office (energy 69%)

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

Following on changes introduced by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('SI 2018/1155'), Generation Investment Management LLP is using the Streamlined Energy and Carbon Reporting ("SECR") framework for the first time. This is shown in the table above which covers CO2 and Energy consumption for the Group.

The firm engaged Carbonxgen to measure the relevant energy data and calculate the resulting GHG emission totals. The scope of emissions reporting for the Firm for SECR covers electricity and heating used at the property it operates from as well as business air and rail travel as reflected in the table above.

The following methodology has been applied to calculate the required energy and carbon data for SECR;

- Energy consumption data for heating and cooling used at the properties has been gathered in the form of submeter data.
- Electricity and water consumption data has been gathered in the form of half hourly data.
- Mileage data has been provided for each business trip completed by Generation's employees.
- The total energy data associated with each data source has been collated to calculate the total energy usage.
- This has been converted to GHG emissions by applying the appropriate 2020 UK Government GHG Conversion Factors for Company Reporting, in line with the GHG Protocol Corporate Standard methodology.
- The selected metric for the emissions intensity ratio is headcount. Carbon emissions have been reported for each category per employee for the reporting period.

MEMBERS' REPORT (CONTINUED)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (CONTINUED)

As explained in the Senior Partner letter, the Firm is committed to meet the highest environmental impact standards, this can be further demonstrated across a series of initiatives;

- Business-related sourcing decisions also include local travel and office supplies, where we choose environmentally-friendly suppliers as much as possible. We assess our suppliers against a checklist, which includes questions relating to their own ESG practices.
- As part of the induction for new joiners, we communicate the environmental practices we have in place for recycling and provide training on the energy savings decisions individuals can make on a daily basis and on the relevant technology available.
- With our recent fit out, we installed additional submeters to better measure our energy and water usage. Our lighting system responds to daylight levels, and switches off in meeting rooms after a period of time.
- We are pursuing ISO14001 accreditation and as part of our Environmental Management System we have created an Environmental Steering Committee to consider ways to reduce our energy outputs as well as include further Scope 3 emissions for reduction and offsetting. Also, over the course of 2020, we upgraded our teleconferencing capability and our aim is to travel to fewer and fewer long-distance meetings as the quality of the virtual experience improves.

Our offices in London and San Francisco were chosen due to their central locations which are well-served by public transport. Both offices were purpose-built with sustainability in mind.

In London, our office meets the BREEAM Excellent sustainability standard (Building Research Establishment Environmental Assessment Method). A rainwater harvesting system, leak detection measures and low-flow sanitary fittings improve water efficiency. Green roof space improves insulation and enhances biodiversity. The main energy supplies at the building come from renewable resources. The recently completed London office fit out achieved a Ska Gold rating (an environmental assessment rating for fit-outs developed by the Royal Institute of Chartered Surveyors) and we are currently pursuing certification by the International WELL Building Standard. This standard is designed to encourage organisations to deliver more thoughtful spaces that enhance human health and well-being. The ten concepts – Air, Water, Nourishment, Light, Movement, Thermal Comfort, Sound, Materials, Mind and Community – aim to foster a culture of health and wellness through specific design and operational protocols and policies.

Our San Francisco office is located in a building which has been successfully re-certified as Platinum for the LEED E-BOM (Leadership in Energy and Environmental Design – Existing Buildings: Operations & Maintenance) which applies to existing builds. Our own fit out of that office was completed following the highest LEED specifications and we have been awarded Platinum status, the highest level of certification. The San Francisco office also achieved WELL Gold certification.

MEMBERS' REPORT (CONTINUED)

RESPONSIBILITY TOWARDS OUR COMMUNITY

Where possible we try to engage local suppliers, or those that already service our building with the aim of reducing travel and consolidating deliveries. We have our own vendor questionnaire which we use to screen possible business partners. The checklist acts as a guide to make sure all companies we work with can answer questions about their various policies including the Modern Slavery Act; the Bribery Act; ESG; carbon offsetting; fair wages and benefit provision; and health and safety. This enables us to screen for positive and negative practices and offer guidance to encourage our suppliers to operate more sustainably.

Philanthropic engagement is actively encouraged. We are proud to say that 97% of Generation colleagues participated in the matched giving programme of the Generation Foundation during 2020.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing this report and the financial statements in accordance with applicable law and regulations.

Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the Group and limited liability partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, as applied to limited liability partnerships, the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and limited liability partnership and of the profit or loss of the Group and limited liability partnership for that period. In preparing the financial statements, the members are required to:

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

The members are also responsible for safeguarding the assets of the Group and limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Designated members confirm that the above requirements have been met in preparing the financial statements.

MEMBERS' REPORT (CONTINUED)

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

As so far as the Designated members are aware, there is no relevant audit information of which the LLP's auditors are unaware. The Designated members have taken all the steps they ought to have taken as Designated members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

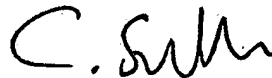
INDEPENDENT AUDITOR

During 2020 PricewaterhouseCoopers LLP (PwC) continued as the Company's auditors. An audit tender process, conducted by Generation's Risk Oversight Group, is currently being held in line with governance best practice. PwC did not participate in the tender process and are therefore expected to resign as auditors during 2021.

Registered office:

20 Air Street
London
W1B 5AN

Signed on behalf of the members



A C Sullivan
Designated member

Approved by the Members on 13 April 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENERATION INVESTMENT MANAGEMENT LLP

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Generation Investment Management LLP's group financial statements and partnership financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the partnership's affairs as at 31 December 2020 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Members' Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position and the Partnership Statement of Financial Position as at 31 December 2020; the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Partnership Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

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

INDEPENDENCE

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENERATION INVESTMENT MANAGEMENT LLP (CONTINUED)

REPORTING ON OTHER INFORMATION

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

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

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

RESPONSIBILITIES OF THE MEMBERS FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, the members are responsible for assessing the group's and the partnership'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 members either intend to liquidate the group or the partnership or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENERATION INVESTMENT MANAGEMENT LLP (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority ('FCA'), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting of inappropriate journals.

Audit procedures performed included:

- Enquiries with management and legal, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts, where any such journal entries were identified;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing over certain areas;
- Reviewing correspondence with the Financial Conduct Authority; and
- Reviewing relevant meeting minutes, including those of the Risk Oversight Group.

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

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

USE OF THIS REPORT

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENERATION INVESTMENT MANAGEMENT LLP (CONTINUED)

OTHER REQUIRED REPORTING

COMPANIES ACT 2006 EXCEPTION REPORTING

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Sarah Chandler

Sarah Chandler (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

13 April 2021

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CONSOLIDATED INCOME STATEMENT

		Year ended 31-Dec-20	Year ended 31-Dec-19
	Note	£'000	£'000
Turnover	4	313,707	347,552
Administrative expenses		(61,462)	(57,068)
Other operating income	5	-	239
Operating profit	6	252,245	290,723
Interest receivable		248	497
Gain on investments and derivatives		1,616	4,618
Profit on ordinary activities before taxation		254,109	295,838
Tax on profit on ordinary activities	7	(11,194)	(11,164)
Profit for the financial year available for discretionary division among members		242,915	284,674
Profit for the financial year attributable to:			
Owners of the parent		216,781	254,548
Non-controlling interests		26,134	30,126
		242,915	284,674

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31-Dec-20	Year ended 31-Dec-19
	Note	£'000	£'000
Profit for the financial year available for discretionary division among members		242,915	284,674
Translation loss on consolidation of foreign subsidiaries	20	(3,358)	(2,029)
Total Comprehensive Income		239,557	282,645
Total comprehensive income for the financial year attributable to:			
Owners of the parent		213,423	252,519
Non-controlling interests		26,134	30,126
		239,557	282,645

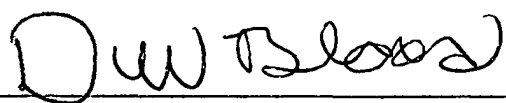
All of the activities of the Group are classed as continuing.

The notes on pages 27 - 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December 2020	As at 31 December 2019
	Note	£'000	£'000
Fixed assets			
Tangible assets	9	8,082	3,605
Investments	10	60	10
		8,142	3,615
Current assets			
Employee Incentive Benefit Plan Net Assets	11	1,467	1,722
Debtors	12	114,834	98,681
Investments	13	40,464	37,688
Cash at bank and in hand		15,724	22,327
		172,489	160,418
Creditors: amounts falling due within one year	14	(14,446)	(25,452)
Net current assets		158,043	134,966
Total assets less current liabilities		166,185	138,581
Provisions for liabilities	15	(1,210)	(1,331)
Net assets attributable to members		164,975	137,250
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability	20	21,096	-
Other amounts due to members	20	38,882	44,754
		59,978	44,754
Members' other interests			
Members' capital classified as equity	20	-	19,781
Foreign exchange translation reserves	20	(3,283)	75
Members' other interests	20	97,422	65,545
		94,139	85,401
Non-controlling interests		10,858	7,095
		104,997	92,496
		164,975	137,250
Total members' interests			
Amounts due to members	20	59,978	44,754
Members' other interests	20	94,139	85,401
		154,117	130,155
Non-controlling interests	20	10,858	7,095
		164,975	137,250

The financial statements were approved by all members and signed on their behalf by the Designated members on 13 April 2021.



D W Blood (Designated member)



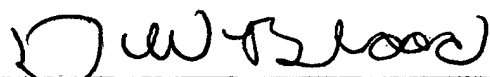
A C Sullivan (Designated member)

The notes on pages 27 - 46 form part of these financial statements

PARTNERSHIP STATEMENT OF FINANCIAL POSITION

		As at 31 December 2020	As at 31 December 2019
	Note	£'000	£'000
Fixed assets			
Tangible assets	9	5,932	1,030
Investments	10	1,984	2,032
		7,916	3,062
Current assets			
Employee Incentive Benefit Plan Net Assets	11	1,467	1,722
Debtors	12	108,772	79,900
Investments	13	34,322	36,542
Cash at bank and in hand		12,667	20,635
		157,228	138,799
Creditors: amounts falling due within one year	14	(13,897)	(13,228)
Net current assets		143,331	125,571
Total assets less current liabilities		151,247	128,633
Provisions for liabilities	15	(749)	(1,023)
Net assets attributable to members		150,498	127,610
Represented by:			
Loans and other debts due to members			
Members' capital classified as liability	20	21,096	-
Other amounts due to members	20	38,882	44,754
		59,978	44,754
Members' other interests			
Members' capital	20	-	19,781
Other reserves	20	90,520	63,075
		90,520	82,856
		150,498	127,610
Total members' interests			
Amounts due to members	20	59,978	44,754
Members' other interests	20	90,520	82,856
		150,498	127,610

As permitted by Section 408 Companies Act 2006 (as modified for application to LLPs) the LLP is exempt from presenting its own Income Statement. The profit of the LLP for the financial year amounted to £212.3m (2019: £258.7m). The financial statements were approved by all members and signed on their behalf by the Designated members on 13 April 2021.



D W Blood (Designated member)



A C Sullivan (Designated member)

The notes on pages 27 - 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Members' capital	Foreign exchange translation Reserve	Other reserves	Amount attributable to owners of the LLP	Non-controlling Interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2019	18,226	2,104	70,073	90,403	12,658	103,061
Profit for the financial year available for discretionary division among members	-	-	254,548	254,548	30,126	284,674
Other comprehensive income	-	(2,029)	-	(2,029)	-	(2,029)
Members' interest after profit for the year	18,226	75	324,621	342,922	42,784	385,706
Capital introduced	3,700	-	-	3,700	68	3,768
Capital released	(2,145)	-	-	(2,145)	(324)	(2,469)
Profit allocation to members	-	-	(259,076)	(259,076)	-	(259,076)
Amounts paid to non-controlling interests	-	-	-	-	(35,433)	(35,433)
At 31 December 2019 and 1 January 2020	19,781	75	65,545	85,401	7,095	92,496
Members' capital classified as liability	(19,781)	-	-	(19,781)	-	(19,781)
Profit for the financial year available for discretionary division among members	-	-	216,781	216,781	26,134	242,915
Other comprehensive expense	-	(3,358)	-	(3,358)	-	(3,358)
Members' interest after profit for the year	-	(3,283)	282,326	279,043	33,229	312,272
Capital introduced	-	-	-	-	125	125
Capital released	-	-	-	-	-	-
Profit allocation to members	-	-	(184,904)	(184,904)	-	(184,904)
Amounts paid to non-controlling interests	-	-	-	-	(22,496)	(22,496)
At 31 December 2020	-	(3,283)	97,422	94,139	10,858	104,997

The notes on pages 27 - 46 form part of these financial statements.

PARTNERSHIP STATEMENT OF CHANGES IN EQUITY

	Members' capital	Other reserves	Total
	£'000	£'000	£'000
At 1 January 2019	18,226	63,407	81,633
Profit for the financial year available for discretionary division among members	-	258,744	258,744
Members' interest after profit for the year	18,226	322,151	340,377
Capital introduced	3,700	-	3,700
Capital released	(2,145)	-	(2,145)
Profit allocation	-	(259,076)	(259,076)
At 31 December 2019 and 1 January 2020	19,781	63,075	82,856
Members' capital classified as liability	(19,781)	-	(19,781)
Profit for the financial year available for discretionary division among members	-	212,349	212,349
Members' interest after profit for the year	-	275,424	275,424
Profit allocation	-	(184,904)	(184,904)
At 31 December 2020	-	90,520	90,520

The notes on pages 27 - 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 December 2020	Year ended 31 December 2019
	Note	£'000	£'000
Operating profit		252,245	290,723
Depreciation	9	1,580	1,652
Increase in debtors	12	(12,622)	(21,720)
(Decrease)/increase in creditors	14	(9,432)	8,879
Decrease in provisions	11,14	(121)	(243)
NET CASH FROM OPERATING ACTIVITIES		231,650	279,291
Tax paid		(14,709)	(11,707)
NET CASH INFLOW FROM OPERATING ACTIVITIES		216,941	267,584
Cash flow from investing activities			
Disposal of tangible fixed assets	9	124	-
Purchase of tangible fixed assets	9	(6,233)	(504)
Purchase of Investments	11,13	(1,153)	(1,206)
Proceeds from the disposal of current investments	11,13	1,256	2,462
Interest received		248	497
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(5,758)	1,249
Cash flow from financing activities			
Proceeds from capital introduced by members	20	1,315	3,700
Capital introduced/(withdrawn) by non-controlling interests	20	125	(256)
Capital withdrawn by members	20	-	(2,145)
Distributions paid to members	20	(190,776)	(240,088)
Distributions paid to non-controlling interests	20	(22,496)	(35,433)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(211,832)	(274,222)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(649)	(5,389)
Cash and cash equivalents at Start of Year		58,288	65,706
Unrealised loss on exchange rate translations		(3,358)	(2,029)
Cash and cash equivalents at End of Year		54,281	58,288

Reconciliation of cash at bank and in hand to cash and cash equivalents:

		Year ended 31 December 2020	Year ended 31 December 2019
	Note	£'000	£'000
Cash at bank and in hand		15,724	22,327
Short-term deposits (included in current asset investments)	13	38,557	35,961
Cash and cash equivalents		54,281	58,288

The notes on pages 27 - 46 form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Generation Investment Management LLP, registered number OC307600, has prepared financial statements covering the Group and the Partnership's results for the year ended 31 December 2020.

Generation is a limited liability partnership incorporated and domiciled in England. The address of the LLP's registered office is presented on page 3 of these financial statements.

The principal activities of the LLP are disclosed in the Members' Report.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"). The consolidated financial statements have also been prepared in accordance with the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' (SORP) issued in 2018.

The LLP has taken advantage of the exemption 408 of the Companies Act from presenting its individual income statement.

3. ACCOUNTING POLICIES

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

3.1 BASIS OF PREPARATION

These consolidated financial statements are prepared on a going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through the consolidated income statement.

The consolidated financial statements are presented in pounds sterling which is also the functional currency of the LLP. Monetary amounts in these financial statements are rounded to the nearest thousand pounds sterling unless otherwise stated.

3.2 EXEMPTIONS FOR QUALIFYING ENTITIES UNDER FRS 102

The LLP has taken advantage of the FRS 102 Paragraph 1.12(b) not to present a Statement of Cash Flows. A Consolidated Statement of Cash Flows is included in these financial statements.

The Group has taken advantage of the exemptions from the requirement under Section 33 "Related Party Disclosures" to disclose the detailed compensation for key management personnel.

3.3 GOING CONCERN

The Group has adequate financial resources and as a consequence, the members believe that the Group is well placed to manage its business risks successfully. After making inquiries including consideration of the ongoing COVID-19 situation, the members have a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

3.4 CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the LLP and its subsidiary undertakings. All significant inter-company accounts and transactions have been eliminated upon consolidation. A subsidiary is an entity that is controlled by the parent. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

3.4 CONSOLIDATION (CONTINUED)

Falcon General Partner LLC is also fully consolidated as, despite being 50% owned by the Group, it is entitled to all the variable returns of the entity. In addition, the LLP controls 100% of The Generation Foundation; however, due to The Generation Foundation's charitable status, the LLP has severe long-term restrictions which substantially hinder the exercise of the rights of the parent over the assets. As such, The Generation Foundation has been excluded from consolidation into the Group.

At year end Generation IM Sustainable Solutions GP III Limited which is a fully owned subsidiary of the LLP reported under US GAAP: no adjustments were required upon consolidation to convert balances to FRS 102.

3.5 NON-CONTROLLING INTERESTS

Some members of the LLP hold capital directly in Generation Investment Management US LLP, a subsidiary within the Group. This capital is not attributable to the LLP's interest in the subsidiary and therefore constitutes a non-controlling interest. The annual profits allocated to each member with direct interest in Generation Investment Management US LLP are allocated using a similar policy as applicable to members of the LLP and consequently is not directly proportional to the amount of capital held. Non-controlling interests are measured as the net capital held plus profit allocated during the year less any distributions paid.

3.6 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies.

3.6.1 CRITICAL ACCOUNTING ESTIMATES

As detailed in Note 3.13 below, the Group operates an Employee Incentive Benefit Plan ("EIBP") for members and employees. Based on the legal structure within which plan assets and liabilities are granted, it has been determined that the majority of these assets should be treated as Other Long-Term Employee Benefit in accordance with Section 28 of FRS 102. The consequences of the assessment can be seen in Note 11, where the present value of the benefit obligation at the Statement of Financial Position date is offset against the fair value of the plan assets at that point in time.

3.6.2 CRITICAL ACCOUNTING JUDGEMENTS

As detailed in Note 3.4, a judgement has been taken to fully consolidate the activities of Generation Investment Management LLP, its subsidiaries and Falcon General Partner LLC.

3.7 FOREIGN CURRENCIES

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which it operates.

The assets and liabilities of foreign subsidiary operations are translated into pounds sterling at the rate of exchange ruling at the reporting date and their income statement and cash flows are translated at the average rate for the year. Exchange differences arising are dealt with in the Consolidated Statement of Comprehensive Income.

At entity level, monetary assets and liabilities in foreign currencies are translated into pounds sterling at the rates of exchange prevailing at the balance sheet date. Non-monetary assets and liabilities and transactions in foreign currencies are translated into pounds sterling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3.8 SEGMENTAL REPORTING

All of the Group's activities relate to the business of investment management. In the opinion of the members, the Group operates in two principal geographical segments (UK and USA) and one business segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

3.9 TURNOVER

Turnover comprises Investment management, administration and performance fees.

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for investment management services rendered net of discounts and rebates allowed by the company and value added taxes.

The turnover shown in the consolidated income statement represents amounts due for investment advisory services recognised on an accruals basis during the year, exclusive of Value Added Tax ("VAT").

Management fees are calculated as a percentage of net fund or client assets managed in accordance with individual management agreements and include all non-performance related fees and are recognised in the period in which the services are rendered.

The basis on which performance fees for investment advisory services are calculated may vary across clients and investment strategies. Performance fees are earned when contractually agreed performance levels are exceeded within specified performance measurement periods. Performance fees are only recognised when a reliable estimate can be made and it is probable that they are receivable; given the nature of our performance fees that is when they are crystallised.

3.10 ADMINISTRATIVE EXPENSES

Administrative expenses relate to staff and other costs incurred by the Group in an operating capacity. Expenses are recognised net of VAT on receipt of goods or over the period of the service is performed.

3.11 INTEREST RECEIVABLE

Interest comprises interest on cash and cash equivalents and is accounted for using the effective interest method.

3.12 PENSION ARRANGEMENTS

The Group does not operate its own pension scheme. The Group contributes on behalf of the employees to their chosen pension scheme plan. The charge against the profit represents the actual amount of the contribution payable to the pension schemes in respect of the accounting year.

3.13 EMPLOYEE INCENTIVE BENEFIT PLAN (EIBP)

Generation provides three separate Employee Incentive Benefit Plans:

- Generation IM Global Equity Plan and Generation IM Asia Equity Plan
 - For most UK employees: the LLP has created an Employee Benefit Trust ("RBC Trust") in which those UK employees will be beneficiaries. The Group has set aside cash in RBC Trust which in turn has made an investment in units of the Generation IM Global Equity Fund and Generation IM Asia Equity Fund. The assets and liabilities of this scheme have been presented net in the Statement of Financial Position, as they are deemed to be plan assets under FRS 102 Section 28 because the Trust is legally separate from the Group and the Trust assets are only available to pay the employee benefits.
 - For certain UK employees, LLP members and US citizen employees: the Group has invested directly in the Generation IM Global Equity Funds and Generation IM Asia Equity Funds. Assets and movements are presented within current assets in Note 13. Liabilities and movements are presented in Note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

3.13 EMPLOYEE INCENTIVE BENEFIT PLAN (EIBP) (CONTINUED)

- Generation IM Climate Solutions Plan

For the two separate plans where the Group invests directly into the assets upon grant of awards to employees, the Group invests an amount equal to the award into Generation funds. Generation funds are funds managed by the Partnership. Liabilities are accrued over the vesting period attached to each award. Investments are recognised as an asset upon purchase and are revalued to fair value at Statement of Financial Position date. The corresponding movement in liability is spread over the remaining vesting period.

Investments made into Generation funds directly by the Group or the LLP are presented within current asset investments (Note 13).

The investments in the Generation funds and the investments held within the RBC Trust are valued and accounted for in line with Note 3.19.5.

3.14 OPERATING LEASES

Rental costs under operating leases are charged to the income statement on a straight-line basis over the lease term. Benefits of lease incentives in the form of rent-free periods are treated as a reduction in the overall rent expense on the lease and are recognised on a straight line basis over the lease term. Sublease income is accounted for on an equivalent basis.

3.15 TAXATION

Income tax payable on the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these consolidated financial statements. The LLP is subject to corporate level profit taxes in respect of its operation in Spain and on any profits allocable to New York in the financial year.

The consolidated Group includes entities which are subject to both local and foreign taxes.

3.16 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at their cost, together with any incidental expenses of acquisition, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and dismantling and restoration costs. Costs associated with maintaining tangible fixed assets are expensed as incurred. Depreciation is charged to administrative expenses in the income statement.

Depreciation is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives as follows:

IT Equipment	IT Servers and Audio/Visual Equipment depreciate over 5 years, all other IT Equipment depreciates over 3 years
Fixtures and fittings	20 % or 33 1/3 % straight line per annum
Leasehold Improvements	Over the length of the lease

The residual values and useful lives of assets are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal with any carrying value recognised as a loss in the Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

3.17 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

From time to time as part of its business the Group can be or is subject to legal proceedings. If the possibility of a financial impact is considered remote by management, then no contingent liability is recognised.

The provisions included in the Statement of Financial Position relate to the EIBP scheme as per Note 3.13.

3.18 ALLOCATION OF PROFITS AND DISTRIBUTIONS

The share of a member, or person holding a non-controlling interest, in the Group profit or loss for the year is accounted for as an allocation of profits. To the extent that interim or final profit allocations exceed distributions then the excess profit is included in the Statement of Financial Position under amounts due to members or within the non-controlling interests. Undistributed member profits and losses are included in "Other Reserves" within Members' Other Interests whereas for non-controlling interests they are included in the non-controlling interests.

Distributions may be paid net of a tax retention which is released to members to pay tax as required. The balance of tax retained from members is shown within amounts due to members.

3.19 FINANCIAL INSTRUMENTS

The group has chosen to adopt the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full, in respect of its financial instruments.

3.19.1 FINANCIAL ASSETS

Basic financial assets, including debtors and cash and bank balances, are initially recognised at transaction price. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the income statement, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment. The impairment loss is recognised in profit and loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset are received, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.19.2 FINANCIAL LIABILITIES

Creditors are financial liabilities initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest method.

The Group derecognises financial liabilities when the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

3.19.3 FIXED ASSET INVESTMENTS

Fixed asset investments are financial assets held for continuing use in the business and include investments in Generation funds and shares in subsidiary undertakings. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred and the equity interests issued. Subsequently the partnership investments in subsidiary undertakings are valued at cost less impairment.

The investments in the group are investments in Generation funds. These are complex instruments within the scope of Section 12 of FRS 102 and are held at fair value through profit or loss and are stated at fair value in accordance with market practice and gains and losses on revaluation are taken to the income statement as unrealised. Generation uses the most appropriate method to determine the fair value of unquoted entities and equity related securities. For these investments it is considered that the net asset value of the fund units represents fair value.

3.19.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

3.19.5 CURRENT ASSET INVESTMENTS

Current asset investments are financial assets which include cash equivalents held in money market funds and investments as part of the EIBP plan. These are considered to be complex instruments within the scope of Section 12 of FRS 102. These are held at fair value through profit or loss and are stated at fair value in accordance with market practice and gains and losses on revaluation are taken to the income statement as unrealised. Generation uses the most appropriate method to determine the fair value of unquoted entities and equity related securities. For these investments it is considered that the net asset value of the fund units represents fair value. Marketable securities are classified as held at fair value through profit or loss and are stated at fair value in accordance with market practice; gains and losses arising from revaluation are taken to the income statement as unrealised.

3.19.6 DERIVATIVE FINANCIAL INVESTMENTS

The Group's activities expose it to the financial risks of changes in foreign exchange rates.

The use of financial derivatives is governed by the Group's policies, which provide principles on the use of financial derivatives consistent with the Group's risk management strategy.

The Group's policy provides for the use of derivative instruments to convert a proportion of its turnover received in dollars into pounds sterling in order to hedge the foreign exchange risk arising.

Derivatives including forward foreign exchange contracts are not basic financial instruments. Derivatives are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Changes in fair value are recognised in the income statement in finance income or costs as appropriate.

The Group does not apply hedge accounting for foreign exchange derivatives.

3.20 MEMBERS' CAPITAL

When a member retires the LLP is obligated to pay back their capital provided the LLP has sufficient capital reserves to meet its regulatory obligations.

From 2020 members capital is reclassified as a financial liability. This change has been made to the Statements of Financial Position, Statements of Changes in Equity and Note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4 TURNOVER

The turnover and profit are attributable to the principal activity of the Group.

	Year ended 31 December 2020	Year ended 31 December 2019
	£'000	£'000
Analysis by geography		
United Kingdom	158,000	190,759
United States	155,707	156,793
	313,707	347,552

	Year ended 31 December 2020	Year ended 31 December 2019
	£'000	£'000
Analysis of turnover by category		
Management fees	148,066	143,912
Performance fees	165,641	203,640
	313,707	347,552

5 OTHER OPERATING INCOME

	Year ended 31 December 2020	Year ended 31 December 2019
	£'000	£'000
Rent receivable from sub-lease	-	239

The sub-lease at the 20 Air Street property ceased on 15 September 2019.

6 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Year ended 31 December 2020	Year ended 31 December 2019
	£'000	£'000
Staff costs (Note 8)	26,988	27,688
Depreciation of own fixed assets	1,580	1,652
Loss on disposal of fixed assets	124	-
Auditors' remuneration		
- Fees payable for the audit of the Partnership	164	117
- Fees payable for other assurance services	139	146
- Fees payable for tax advisory/compliance services	562	547
Operating lease costs – buildings	2,606	2,676
Foreign exchange loss	3,920	2,970

Included within auditor's remuneration for audit services above is £5,130 (2019: £10,000) payable to the auditors of Generation IM Sustainable Solutions GP III Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Current tax		
UK Corporation tax at 19% (2019: 19%)	-	-
Foreign current tax	11,194	10,067
Adjustments in respect of prior year foreign tax	-	1,097
	11,194	11,164
Deferred tax		
Origination of timing differences:		
UK deferred tax	-	-
Tax on profit on ordinary activities	11,194	11,164

The tax for the year is lower (2019: lower) than the standard rate of corporation tax in the UK of 19% (2019: 19%) as members of the Partnership are not subject to UK corporation tax. However, certain subsidiary undertakings are subject to local corporate taxes largely arising on profits for the financial year as shown below.

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Profit on ordinary activities before taxation	254,109	295,838
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	48,281	56,209
Effects of:		
Profits chargeable on members	(39,835)	(48,549)
Impact of overseas tax rate	2,748	2,407
Adjustments in respect of prior year foreign tax	-	1,097
Total current tax	11,194	11,164

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8 EMPLOYEES AND REMUNERATION

The average monthly number of employees of the Group during the financial year amounted to:

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	No.	No.	No.	No.
Investment Team	20	18	21	19
Client Relationship Team	5	5	4	3
Operations and administration Team	40	34	37	31
Total number of employees	65	57	62	53

The aggregate staff costs were:

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	£'000	£'000	£'000	£'000
Wages and salaries	22,644	20,283	23,168	20,316
Social security costs	2,940	2,824	3,066	2,943
Benefit costs	644	450	581	381
Other pension costs	760	604	873	555
	26,988	24,161	27,688	24,195

9 TANGIBLE ASSETS

	Leasehold premises	Fixtures and fittings	IT Equipment	Work In Progress	Total
The Group	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2020	5,666	511	861	35	7,073
Additions	-	2	1,174	5,057	6,233
Disposals	(3,053)	(99)	(146)	-	(3,298)
Transfer	1,980	1,350	760	(4,090)	-
Foreign exchange translation adjustment	(73)	(9)	(20)	-	(102)
At 31 December 2020	4,520	1,755	2,629	1,002	9,906
Accumulated depreciation					
At 1 January 2020	(2,971)	(232)	(266)	-	(3,469)
Charge for the year	(982)	(162)	(436)	-	(1,580)
Disposals	2,999	84	91	-	3,174
Foreign exchange translation adjustment	33	9	9	-	51
At 31 December 2020	(921)	(301)	(602)	-	(1,824)
Net book value					
At 31 December 2020	3,599	1,454	2,027	1,002	8,082
At 31 December 2019	2,696	279	595	35	3,605

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9 TANGIBLE ASSETS (CONTINUED)

The LLP	Leasehold premises	Fixtures and fittings	IT Equipment	Work in Progress	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2020	2,977	174	338	35	3,524
Additions	-	1	974	5,057	6,032
Disposals	(2,977)	(99)	(36)	-	(3,112)
Transfer	1,980	1,350	760	(4,090)	-
At 31 December 2020	1,980	1,426	2,036	1,002	6,444
Accumulated depreciation					
At 1 January 2020	(2,360)	(82)	(52)	-	(2,494)
Charge for the year	(697)	(93)	(311)	-	(1,101)
Disposals	2,976	84	23	-	3,083
At 31 December 2020	(81)	(91)	(340)	-	(512)
Net book value					
At 31 December 2020	1,899	1,335	1,696	1,002	5,932
At 31 December 2019	617	92	286	35	1,030

10 INVESTMENTS

Investments in Generation funds

	2020	2019
The Group	Generation funds	Generation funds
	£'000	£'000
At 1 January	10	11
Gain/(loss) on investments	50	(1)
At 31 December	60	10

Investments in subsidiaries

	2020	2019
The LLP	Investments	Investments
	£'000	£'000
At 1 January	2,032	2,002
Addition	283	30
Transfer	(20)	-
Impairment	(194)	-
Loss on investments	(117)	-
At 31 December	1,984	2,032

For further details regarding the LLP's subsidiaries, please refer to Note 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11 EMPLOYEE INCENTIVE BENEFIT PLAN NET ASSETS

The Group provides incentives ("awards") for employees via the Generation IM Deferred Remuneration Plans ("the plans"). The Plans are governed by the Plan Rules or the trustees of the Generation Investment Management LLP Employee Benefit Trust ("RBC Trust").

Awards take the form of units or interests within Generation-managed investment funds and are awarded by management in accordance with the plan rules. Awards for members and employees vest after three years from grant date with units redeemed after five years and proceeds paid to respective members and employees. The level of incentives awarded are linked to an employee's level of seniority at grant date.

Generation provides three separate Employee Incentive Benefit Plans:

- Generation IM Global Equity Plan and Generation IM Asia Equity Plan
 - For most UK employees: the LLP has created an Employee Benefit Trust ("RBC Trust") in which those UK employees will be beneficiaries. The Group has set aside cash in RBC Trust which in turn has made an investment in units of the Generation IM Global Equity Fund and Generation IM Asia Equity Fund. The assets and liabilities of this scheme have been presented net on the Statement of Financial Position.
 - For certain UK employees, LLP members and US citizen employees: the Group has invested directly in the Generation IM Global Equity Funds and Generation IM Asia Equity Funds. Assets and movements are presented within current assets in Note 13. Liabilities and movements are presented in Note 15.
- Generation IM Climate Solutions Plan
 - For certain UK employees, LLP members and US citizen employees: the Group has invested directly in the Generation IM Climate Solutions Fund (Cayman), L.P. and Generation IM Climate Solutions Fund (U.S.), L.P. Assets and movements are presented within current assets in Note 13. Liabilities and movements are presented in Note 15.

Investment Assets in RBC Trust	2020 Group	2020 The LLP	2019 Group	2019 The LLP
	£'000	£'000	£'000	£'000
At 1 January	7,227	7,227	6,489	6,489
Additions	551	551	937	937
Disposals	(540)	(540)	(1,642)	(1,642)
Unrealised gain on investments	1,308	1,308	1,443	1,443
At 31 December	8,546	8,546	7,227	7,227

Provisions to beneficiaries of investments in RBC Trust	2020 Group	2020 The LLP	2019 Group	2019 The LLP
	£'000	£'000	£'000	£'000
At 1 January	5,505	5,505	4,581	4,581
Movement in year	1,574	1,574	924	924
At 31 December	7,079	7,079	5,505	5,505

Net Assets of Employee Incentive Benefit Plan	2020 Group	2020 The LLP	2019 Group	2019 The LLP
	£'000	£'000	£'000	£'000
At 31 December	1,467	1,467	1,722	1,722

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12 DEBTORS

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	£'000	£'000	£'000	£'000
Trade debtors	3,309	8,993	17,120	13,134
Other debtors	8,018	8,739	6,051	27,829
Derivative financial instruments	1,056	1,056	1,094	1,094
Prepayments	2,290	2,073	2,955	2,656
Accrued income	99,998	87,748	71,298	35,024
Foreign tax prepayment	163	163	163	163
	114,834	108,772	98,681	79,900

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

13 CURRENT ASSET INVESTMENTS

Current asset investments comprise investments on behalf of the EIBP, details of which are given in Note 11, investments in Generation funds as well as money market fund investments. Assets held by the EIBP are restricted by management in their use by the Group and LLP.

The Group	2020				2019		
	Generation Funds	EIBP	Money market funds	Total	EIBP	Money market funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January	-	1,727	35,961	37,688	1,969	32,234	34,203
Additions	404	198	9,964	10,566	269	12,088	12,357
Disposals	-	(716)	(7,368)	(8,084)	(821)	(8,361)	(9,182)
Unrealised gain on investments	3	291	-	294	310	-	310
At 31 December	407	1,500	38,557	40,464	1,727	35,961	37,688

The LLP	2020			2019		
	EIBP	Money market funds	Total	EIBP	Money market funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January	1,166	35,376	36,542	1,045	31,302	32,347
Additions	-	5,565	5,565	119	12,088	12,207
Disposals	(531)	(7,354)	(7,885)	(170)	(8,014)	(8,184)
Unrealised gain on investments	100	-	100	172	-	172
At 31 December	735	33,587	34,322	1,166	35,376	36,542

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	£'000	£'000	£'000	£'000
Trade creditors	993	1,044	8,958	1,623
VAT payable	1,637	1,637	2,104	2,104
Tax and social security	6,997	6,997	7,435	7,435
Other creditors	299	4	4,714	20
Accruals and deferred income	4,520	4,215	2,241	2,046
	14,446	13,897	25,452	13,228

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15 PROVISIONS FOR LIABILITIES

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	£'000	£'000	£'000	£'000
At 1 January	1,331	1,023	1,574	1,020
Movement in year	(121)	(274)	(243)	3
At 31 December	1,210	749	1,331	1,023

Provisions are recognised in relation to the EIBP which Generation runs for its employees. Note 11 explains these schemes in more detail.

16 COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2020 the Group and LLP had commitments under non-cancellable operating leases as follows:

	2020	2020	2019	2019
	The Group	The LLP	The Group	The LLP
	£'000	£'000	£'000	£'000
Not later than 1 year	2,656	1,962	2,769	2,026
Later than 1 year and not later than 5 years	10,626	7,848	10,813	7,841
Later than 5 years	2,850	1,635	5,637	3,594
	16,132	11,445	19,219	13,461

On 31 October 2011 the LLP entered into an agreement to lease office space in London. The lease expires on 31 October 2026. On 5 March 2017 Generation IM US Facilities LLC entered into an agreement to lease office space in San Francisco, USA. The lease had a commencement date of 2 October 2017 and expiration date of 1 October 2027.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17 FINANCIAL RISK MANAGEMENT

Risk management is an inherent part of Generation's business activities. The Group's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its principal risks. The Group exercises oversight through the Risk Oversight Group ("ROG").

The Group's operations expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk, liquidity risk, operational risk, regulatory risk and capital risk.

17.1 MARKET RISK

17.1.1 PRICE RISK

Price risk is the risk of a change in the value of an investment. Investments in the Funds made by the Group for the purposes of the EIBP are held solely as investments to fund payments to employees on the maturity of the EIBP. The Group has made no commitment as to the value of the investments at pay out. Such assets are held at fair value through profit or loss.

The Group invests surplus cash balances in daily liquidity money market funds with various financial institutions. The Group monitors its exposure to market risk by periodically assessing the quality of the underlying investments of each fund. These assets are held at fair value (which is generally at par) through profit or loss. The Group does not rely on interest from money market funds for operating purposes.

17.1.2 INTEREST RATE RISK

Interest rate risk is the risk of a change in interest rates. The Group holds cash at banks and on deposit with banks and other financial institutions. Interest on these balances is based upon fixed rates and floating rates. The Group monitors its exposure to interest rate movements and may decide to adjust balances between deposits on fixed or floating rates. The Group does not rely on interest from banks for operating purposes.

17.1.3 FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that foreign exchange rates move. The Group is exposed to foreign exchange risk as high proportion of its liabilities are in pounds sterling but management and performance fees are predominately calculated and received in foreign currencies.

The Group monitors its exposure to currency risk and may seek to minimise its exposure to fluctuations in exchange rates by hedging against foreign currency exposures using financial derivatives as explained in Note 3.19.6

17.2 CREDIT RISK

Credit risk is the risk of counterparties to transactions not settling their debts. Credit risk arises from cash and deposits with banks and financial institutions, as well as credit exposure to clients, including outstanding receivables and committed transactions.

The Group monitors exposures to all financial institutions. These exposures are subject to review by the ROG.

The Group proactively manages the billing process for management and performance fees to ensure invoices are sent out on a timely basis, and payment is monitored and followed up to ensure timely receipt. The quality of clients and their ability to honour commitments is considered during the client take-on process.

During the year there have been no losses due to the non-payment of receivables previously recognised and the Group does not expect any losses from the credit counterparties held as at the Statement of Financial Position date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17.3 LIQUIDITY RISK

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Prudent risk management requires the maintenance of sufficient cash balances to ensure the operational expenses of the Group can be met. The Group monitors rolling forecasts of the liquidity reserves on the basis of expected cash flow.

17.4 OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events. To monitor and control operating risk, the Group maintains a system of policies and controls designed to provide a well-controlled operational environment, and to monitor and record any control failures. To support this monitoring process, the Group prepares a report on the internal controls employed by Generation Investment Management LLP and Generation Investment Management US LLP and appoints a third party to provide assurance over the report under the International Standards of Assurance Engagements 3402 with regards to ICAEW Technical Release AAF 01/20.

17.5 REGULATORY RISK

Regulatory risk arises from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial services industry which are currently subject to significant changes. The Group's in-house legal counsel is focused on maintaining the legal and regulatory capability required to manage these risk factors including an in-house compliance team and the employment of external compliance consultants.

17.6 CAPITAL RISK

Capital risk is the risk of the Group not having adequate capital to meet its operational or regulatory requirements. The Group's objective when managing capital is to ensure the Group meets its regulatory capital requirements and its ability to continue as a going concern and to maintain an optimal structure to reduce the cost of capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18 RELATED PARTY TRANSACTIONS

As at 31 December 2020 the LLP had an interest in the following entities:

ENTITY	NATURE OF BUSINESS	REGISTERED OFFICE	PERCENTAGE OF SHARE CAPITAL
Generation Investment Management US LLP	Investment manager	USA	74.2% directly *
Generation Investment Management Services LLC	Investment Activity	USA	74.2% indirectly *
Generation IM US Facilities LLC	Supplier of office services	USA	74.2% indirectly *
Generation IM Climate Solutions GP (Scotland) Limited	General partner	Scotland	100%***
Generation IM Climate Solutions I (Scotland) LLP	General partner	Scotland	99.9% directly
Generation IM Climate Solutions GP Limited	General partner	Cayman	100% directly
Generation IM Climate Solutions II (Scotland) LLP	General partner	Scotland	99.9% directly
Generation IM Climate Solutions II GP Limited	General partner	Cayman	100% directly
Generation Investment Management (Scotland) GP Limited	General partner	Scotland	100% directly
Generation Investment Management II GP Limited	General partner	Jersey	100% directly
Generation Investment Management US II GP Limited	General partner	Cayman	100% directly
Generation Investment Management I GP Limited	General partner	Cayman	100% directly
Generation Investment Management I GP LP	General partner	Cayman	100% indirectly
GIM (Global Equity) Investment GP Limited	General Partner	Cayman	100% directly
New Leaf Investment (Scotland) LLP	General Partner	Scotland	99.9% directly
Generation IM Sustainable Solutions GP III Limited	General Partner	Guernsey	100% directly
Generation IM Sustainable Solutions Fund III SLP GP Limited	General Partner	Guernsey	100% directly
GIM Falcon GP Limited	General Partner	Guernsey	100% directly
Falcon General Partner LLC	General Partner	USA	50% directly **
GIM LTE Pelion GP Limited	General Partner	Guernsey	100% directly
Generation IM LTE GP Limited	General Partner	Guernsey	100% directly
Generation Investment Management Services Limited	In liquidation	England	100% directly
The Generation Foundation	Registered Charity	England	100% directly ****

The Group is both the smallest and largest group to consolidate the financial statements of the LLP.

* The LLP owns 74.2% of Generation Investment Management US LLP which in turn owns 100% of Generation Investment Management Services LLC which holds a 0.01% investment in Generation Investment Management US LLP. The US-based individual members of Generation Investment Management LLP are direct partners in Generation Investment Management US LLP in addition to being members of Generation Investment Management LLP. These individuals hold varying amounts of partnership capital in the US LLP and are entitled to allocations of profits from this partnership. As a result of this, the interests of these members in the US LLP are considered to form a non-controlling interest in the Group result. These individuals own the remaining 25.8% of the subsidiary.

** The returns from Falcon General Partner LLC have been consolidated due to the particular rights and powers surrounding the company's operation, with the interest of the co-owner to be reflected as a Non-Controlling Interest.

*** Generation IM Climate Solutions GP Limited is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts under section 479A. The LLP guarantees all outstanding liabilities to which these subsidiary company is subject to at the end of 31 December 2020 until they are satisfied in full.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18 RELATED PARTY TRANSACTIONS (CONTINUED)

**** The LLP controls 100% of The Generation Foundation; however, due to The Generation Foundation's charitable status, the LLP has severe long-term restrictions which substantially hinder the exercise of the rights of the parent over the assets. As such, The Generation Foundation has been excluded from consolidation.

The Group has taken advantage of the exemption from the requirement to disclose transactions with related parties that are wholly owned within the Group. All members of the LLP's management committee are considered to be related parties of the Group. The collective transactions with these individuals are summarised in Note 19.

The LLP is appointed as the investment manager of Generation IM Fund PLC, including its sub-funds Generation IM Global Equity Fund and Generation IM Asia Fund. One Group member is director of Generation IM Fund PLC and this is a related party.

The US LLP is appointed as the investment manager and managing member of Generation IM Global Equity Fund LLC and as the investment manager and general partner of Generation IM Asia Fund LP. These are both related parties.

The LLP is appointed as the investment manager of Generation IM Climate Solutions Fund, LP, Generation IM Climate Solutions Fund II, LP, and Generation Sustainable Solutions III LP, GIM (Global Equity) Investment (US) LP and GIM (Global Equity) Investment LP. As the general partners of these funds are subsidiaries of the LLP, all of these entities are considered to be related parties.

The LLP is appointed as the portfolio administrator of Redcedar Designated Activity Company.

Generation IM Credit Feeder Fund I L.P., Generation IM Credit Feeder Fund II LP Generation IM Credit Feeder Fund III LP and Generation IM Credit Feeder Fund IV LP. These are related parties as the general partners of these funds are subsidiaries of the LLP. Generation IM Credit Master Fund, FCP-SIF was liquidated during 2020.

The Group is appointed as the manager of Falcon LP and Marvel (Invest) LP. These are related parties as the general partners of these funds are subsidiaries of the LLP.

The Group has earned income during the year from related parties as follows:

	Total Income for year ended:		Accrued Income as at:	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	£'000	£'000	£'000	£'000
Generation IM Fund PLC	90,259	104,929	31,109	22,136
Generation IM Global Equity Fund LLC	77,412	77,998	25,795	27,055
Generation IM Asia Fund LP	2,753	2,312	708	925
Generation IM Climate Solutions Fund II, LP	1,559	2,956	729	729
Generation Investment Management Credit Feeder Fund I- IV LP	-	141	-	-
GIM Falcon GP Limited	4,689	3,000	2,439	-
Generation IM Sustainable Solutions GP III Limited	11,171	12,100	2,673	-
Redcedar Designated Activity Company	1	53	-	-

The Group holds investments of £0.7m (2019: £1m) in Generation IM Global Equity Fund, £nil (2019: £0.1m) in the Generation IM Asia Fund, £0.8m (2019: £0.7m) in Generation IM Global Equity Fund LLC and an interest of £25,200 (2019: £44,200) in Generation IM Climate Solutions Fund, L.P. In addition, the Group through RBC cees Trustee Limited holds investments of £8.4m (2019: £6.7m) in the Generation IM Global Equity Fund. These holdings are all in respect of the Group's EIBP in respect of certain members and employees (see Notes 11 and 13).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18 RELATED PARTY TRANSACTIONS (CONTINUED)

LLP Members hold personal investments in many of the investment funds managed by the Group. Some of these investments are managed free of management and performance fees.

The LLP provided investment management services in the year for consideration of £117.5m (2019: £116.8m) from the US LLP and had a receivables balance of £52m (2019: £23.3m) due from the US LLP as at 31 December 2020.

At year end the Group also had the following receivables and payables with related parties;

	2020		2019	
	Amounts owed by related parties	Amounts owed to related parties	Amounts owed by related parties	Amounts owed to related parties
	£'000	£'000	£'000	£'000
Generation IM Climate Solutions SLP II LP	69.8	-	61.4	-
New Leaf Investment (Scotland) LP	26.8	-	23.3	-
Falcon LP	43.7	-	-	-
Generation IM Climate Solutions (Scotland) L.P.	-	(1)	55.3	-
Generation IM Climate Solutions II (Scotland) LLP	-	-	10.9	-
Other related party	33.1	-	29.3	-

19 INFORMATION IN RELATION TO MEMBERS

	Year ended 31 December 2020	Year ended 31 December 2019
	Number	Number
Average number of members during the year	33	30
	£'000	£'000
Profit for the year attributable to members		
The Group	216,781	254,548
The LLP	212,349	258,744

* The 2020 Group profit of the year as shown above is attributable to members. There are no other partner remuneration items such as pensions or share based payments.

The share of 2020 profit as shown above attributable to the member with the largest entitlement is £47.2m (2019: £53.9m). Of the profit attributable to members, £160.6m (2019: £186.2m) is attributed to members of the LLP's Management Committee. This includes amounts allocated via the LLP and via the non-controlling interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20 RECONCILIATION OF MOVEMENT IN MEMBERS' INTERESTS FOR THE YEAR TO 31 DECEMBER 2020

20.1 THE GROUP

	Equity (Members' other interests)			Members' capital (Classified as liability)	Other amounts	Non-controlling interests	TOTAL
	Members' capital classified as equity	Foreign exchange translation reserve	Other reserves				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Members' interests							
At 1 January 2019	18,226	2,104	70,073	-	25,766	12,658	128,827
Profit for the financial year available for discretionary division among members	-	-	254,548	-	-	30,126	284,674
Other comprehensive income	-	(2,029)	-	-	-	-	(2,029)
Interests after profit for the year	18,226	75	324,621	-	25,766	42,784	411,472
Capital introduced	3,700	-	-	-	-	68	3,768
Capital released	(2,145)	-	-	-	-	(324)	(2,469)
Profit allocation	-	-	(259,076)	-	259,076	-	-
Distributions	-	-	-	-	(240,088)	(35,433)	(275,521)
Members' interests							
At 31 December 2019 and 1 January 2020	19,781	75	65,545	-	44,754	7,095	137,250
Members' capital classified as members' liability	(19,781)	-	-	19,781	-	-	-
Profit for the financial year available for discretionary division among members	-	-	216,781	-	-	26,134	242,915
Other comprehensive expense	-	(3,358)	-	-	-	-	(3,358)
Interests after profit for the year	-	(3,283)	282,326	19,781	44,754	33,229	376,807
Capital introduced	-	-	-	2,117	-	125	2,242
Capital released	-	-	-	(802)	-	-	(802)
Profit allocation	-	-	(184,904)	-	184,904	-	-
Distributions	-	-	-	-	(190,776)	(22,496)	(213,272)
Members' interests							
At 31 December 2020	-	(3,283)	97,422	21,096	38,882	10,858	164,975

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20 RECONCILIATION OF MOVEMENT IN MEMBERS' INTERESTS FOR THE YEAR TO 31 DECEMBER 2020 (CONTINUED)

20.2 THE LLP

	Equity (members' other interests)		Members' capital (Classified as liability) £'000	Amounts due to members £'000	Total members' interests £'000
	Members' capital classified as equity £'000	Other reserves £'000			
Members' interests					
At 1 January 2019	18,226	63,407	-	25,766	107,399
Profit for the financial year available for discretionary division among members	-	258,744	-	-	258,744
Members' interest after profit for the year	18,226	322,151	-	25,766	366,143
Capital introduced	3,700	-	-	-	3,700
Capital released	(2,145)	-	-	-	(2,145)
Profit allocation	-	(259,076)	-	259,076	-
Distributions	-	-	-	(240,088)	(240,088)
Members' interests					
At 31 December 2019 and 1 January 2020	19,781	63,075	-	44,754	127,610
Members' capital classified as members' liability	(19,781)	-	19,781	-	-
Profit for the financial year available for discretionary division among members	-	212,349	-	-	212,349
Members' interest after profit for the year	-	275,424	19,781	44,754	339,959
Capital introduced	-	-	2,117	-	2,117
Capital released	-	-	(802)	-	(802)
Profit allocation	-	(184,904)	-	184,904	-
Distributions	-	-	-	(190,776)	(190,776)
Members' interests					
At 31 December 2020	-	90,520	21,096	38,882	150,498

In the event of the LLP being wound up, no member has agreed with other members that he/she shall contribute in any way to the assets of the LLP in accordance with Section 74 of the Insolvency Act. Additionally, any amounts due to members would rank after amounts due to other creditors.

21 SUBSEQUENT EVENTS

There were no events subsequent to the Statement of Financial Position date that required adjustment to or disclosure in the consolidated financial statements.