



Annual Report and Financial Statements 2017

LGT Capital Partners (U.K.) Limited

Registered Number: 4804821

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Board of directors and other information

Directors as at 31 December 2017

O. de Perregaux (Swiss)

R. Paganoni (Dutch)

W. Von Baum (Swiss)

M.B.E. White (British)

Secretary

M.B.E. White

Registered Office

35 Dover Street

London

W1S 4NQ

England

Principal Banker

LGT Bank Limited

Herrengasse 12

FL-9490 Vaduz

Liechtenstein

Independent Auditors

PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

One Spencer Dock

North Wall Quay

Dublin 1

Ireland

Principal Solicitors

Cummings Solicitors

42 Brook Street

London W1K 5DB

England

Directors' report

For the year ended 31 December 2017

The Directors submit their annual report together with the audited financial statements for the year ended 31 December 2017. This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

1. Principal activities and review of the business

The principal activity of LGT Capital Partners (U.K) Limited ("the Company") continued to be that of marketing and promotion of funds.

The results for the year are shown on page 9 in the statement of comprehensive income. The Company's statement of financial position is detailed on page 10. The Directors do not recommend the payment of a dividend in 2017 (2016: Nil).

There have been no significant changes to the subsidiary of the Company, LGT Capital Partners (Australia) Pty Ltd ("CP AUS"). The investment amount held on the statement of financial position remains unchanged, see notes 9 and 16.

The main source of income for the Company continues to be information fees and investment income. The basis of the information fee calculation, which is calculated on a cost plus 7.5% basis, remains unchanged. Additionally, the service level agreement, entered on 1 January 2015 whereby the Company acts as the sole investment advisor to Impact Ventures S.A. remains unchanged. The Company maintains its entitlement of 100% of the investment advisory fee, received by LGT Bank (Switzerland) Ltd. From this investment advisory fee, a portion of 20% is paid to Berenberg Bank as a sub-advisory fee.

The Company acts as sub-distributor for a number of Private Equity and Hedge Funds. In 2016, the Company commenced receiving additional sub-distribution fees for these services, based on service level agreements between the Company and LGT Capital Partners (Ireland) Ltd and LGT Capital Partners Limited.

The Company continues to provide philanthropy services to LGT Venture Philanthropy Foundation, and there have been no changes made to the existing agreement.

The Financial Conduct Authority ("FCA") classifies the Company as a small company, thereby exempting the Company from its requirement to produce a strategic report. The classification rules is met as the Company meets two of the three qualifying conditions; an annual turnover of no more

than GBP 10,200,000; balance sheet total for the year is not more than GBP 5,100,000 and fewer than 50 employees employed on average.

2. Results for the year and state of affairs at 31 December 2017

The statement of comprehensive income and statement of financial position are set out on pages 9 and 10 respectively. After accounting for a profit for the financial year of GBP 89,401 (31 December 2016: profit of GBP 186,032), amounts attributable to the equity shareholder at 31 December 2017 were GBP 2,789,304 (31 December 2016: GBP 2,719,324).

3. Future developments

The Directors do not propose to make any changes to the current strategy and objectives of the Company.

4. Risk management

The major risks to which the Company is exposed are business and operational risks and risks associated with investment.

Business and operational risks

The principal risks and uncertainties to which the Company is exposed are those of business and operational risks. Operational and business risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events. The Company maintains systems of controls that it believes are reasonably designed to provide management and the Directors with timely and accurate information about the operations of the Company.

Risks associated with investment

The risk to the Company is the financial risk of losing the share capital invested in LGT Capital Partners (Australia) Pty Ltd. Claims against LGT Capital Partners (Australia) Pty Ltd in excess of their share capital will be ultimately claimed up the chain through the Group structure.

Claims could materialise for a variety of business reasons, however, LGT Group minimise this risk by ensuring that, as with all LGT subsidiaries: there is sufficient strategic planning carried out before the establishment of the subsidiary; a suitable corporate governance framework is instilled in the Company and; that key risk areas are adequately managed, either within the Company, by hiring adequately qualified resources, or outside the Company through outsourcing.

The financial position of the Company at the year end was considered satisfactory by the Directors and the financial position at the year end leaves adequate financial headroom in complying with Financial Conduct Authority requirements.

5. Change in ownership

In October 2016 LGT Holdings UK Limited acquired 100% of the Company from LGT Holding Denmark ApS. This change of ownership was a result of a LGT Group restructuring. The Company was transferred at cost and the consideration totalled GBP 1,972,993. This change of ownership was approved by the FCA and effective 31 October 2016. Despite the change in ownership, the Company's ultimate parent company remains LGT Group Foundation, a foundation registered in the Principality of Liechtenstein. The principal activity of the Company continues to be that of marketing and promotion of funds.

6. Directors

The names of the Directors of the Company at any time during the year ending 31 December 2017 are as follows: O. de Perregaux, R. Paganoni, W. Von Baum and M.B.E White. The Directors served for the full year unless otherwise stated.

The Directors and the Secretary had no interest in the share capital of the Company for the years ending 31 December 2017 and 31 December 2016.

7. Directors' Responsibility Statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable UK law and International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") as adopted by the EU. UK company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements have been properly prepared in accordance with IFRS and IFRIC as adopted by the EU and comply with UK statute comprising the Companies Act, 2006. They are also responsible

for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company's financial statements for the year ended 31 December 2017 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

8. Statement of disclosure to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the Directors have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

9. Capital requirements

The Directors confirm that the Company was fully compliant with all its regulatory capital requirements during the year.

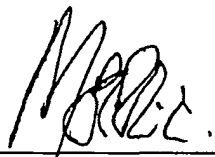
10. Post balance sheet events

There were no significant post balance sheet events.

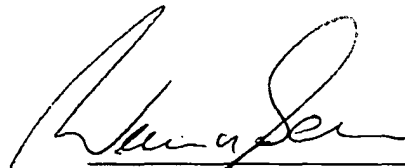
11. Independent auditors

PricewaterhouseCoopers, Chartered Accountants and Statutory Audit Firm have expressed their willingness to continue in office in accordance with the Companies Act, 2006.

On behalf of the Board



M. B. E. White, Director



W. Von Baum, Director

Date: 23 April 2018

Independent auditors' report to the members of LGT Capital Partners (U.K) Limited

Report on the audit of the financial statements

Opinion

In our opinion, LGT Capital Partners (U.K.) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements 2017 (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the statement of comprehensive income, the statement of cash flows, the statement of changes in shareholder's 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 company 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

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

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

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

Reporting on other information

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

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

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibility Statement set out on pages 5 and 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

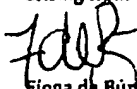
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



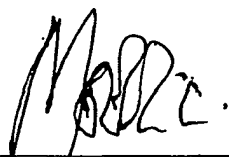
Fiona de Búrca (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin
23 April 2018

Statement of comprehensive income


For the year ended 31 December 2017

	Note	2017 GBP '000	2016 GBP '000
Turnover	3	6,339	4,735
Personnel expenses	4	(3,078)	(2,306)
Operating expenses	5	(3,172)	(2,195)
Profit on operating activities before taxation		189	234
Taxation on operating activities	6	(19)	(48)
Profit on operating activities after taxation		70	186
Total comprehensive profit for the year		70	186

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. The accompanying notes are an integral part of these financial statements.



M. B. E. White, Director



W. Von Baum, Director

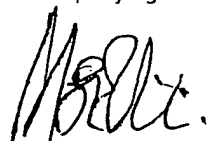
Date: 23 April 2018

Statement of financial position

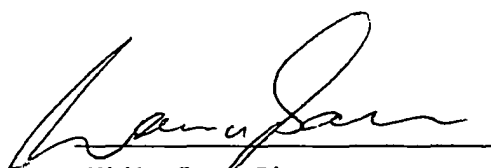
As at 31 December 2017

	Note	2017 GBP '000	2016 GBP '000
Assets			
Non-current assets			
Tangible assets	7		13
Other non-current assets	8	91	91
Financial investment	9	387	387
Total non-current assets		478	491
Current assets			
Cash and cash equivalents	10	1,188	2,188
Debtors and other assets	11	3,375	1,722
Total current assets		4,563	3,910
Total assets		5,041	4,401
Liabilities			
Current liabilities	12	2,252	1,682
Total liabilities		2,252	1,682
Equity capital			
Share capital	14	1,570	1,570
Retained earnings	15	1,219	1,149
Total equity capital and reserves		2,789	2,719
Total liabilities and equity capital		5,041	4,401

The accompanying notes are an integral part of these financial statements.



M. B. E. White, Director



W. Von Baum, Director

Date: 23 April 2018

Statement of changes in shareholder's equity

For the year ended 31 December 2017

	Share capital GBP '000	Retained earnings GBP '000	Total equity GBP '000
As at 1 January 2017	1,570	1,149	2,719
Total comprehensive profit for the year		70	70
As at 31 December 2017	1,570	1,219	2,789
As at 1 January 2016	1,570	963	2,533
Total comprehensive profit for the year		186	186
As at 31 December 2016	1,570	1,149	2,719

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December 2017

	Note	2017 GBP '000	2016 GBP '000
Cash flows from operating activities			
Profit on operating activities before taxation		89	234
Depreciation of non-current assets	7	11	14
Corporation tax paid		(79)	(51)
(Increase)/decrease in debtors and other assets		(1,645)	(920)
Increase in current liabilities		622	437
Net cash inflow from operating activities		(1,002)	(286)
Cash flows from investing activities			
(Purchase)/ disposals of tangible assets	7	2	(10)
Net cash used from investing activities		2	(10)
Net increase/(decrease) in cash and cash equivalents			
		(1,000)	(296)
Cash and cash equivalents at 1 January		2,188	2,484
Cash and cash equivalents at 31 December	10	1,188	2,188

The accompanying notes are an integral part of these financial statements.

Non-cash: During 2016, the ownership of the Company was transferred from LGT Holding Denmark Aps to LGT UK Holdings Limited as approved by the FCA. This transaction had no impact on cash flows.

Notes to the financial statements

1. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated. The financial statements as at 31 December 2017 are prepared and approved by the Directors in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and with those parts of the Companies Act, 2006 applicable to companies reporting under IFRS.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through profit and loss.

The preparation of financial statements in conformity with IFRS and IFRIC as adopted by the EU requires management to make certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements are disclosed in note 1(b).

The establishment of the CP AUS subsidiary means that under IFRS 10 – Consolidated Financial Statements - the Company is required to prepare consolidated financial statements. The Company, however, is availing of an exemption from this requirement available under IFRS 10.4. This exemption is subject to certain conditions which have all been met and allows for the ultimate parent of the group i.e. LGT Group Foundation, to prepare financial statements which consolidates all LGT entities. Therefore the Company is not required to prepare consolidated financial statements. The Company prepares separate financial statements under IAS 27 – Consolidated and Separate Financial Statements which is in accordance with Section 399 of the Companies Act, 2006. The required disclosures under this standard have been made in these financial statements.

The LGT Group Foundation, incorporated in the Principality of Liechtenstein, produce consolidated financial statements under IFRS which are available for public use at their registered address of: LGT Group, Herrengasse 12, FL-9490 Vaduz, Liechtenstein.

Changes in accounting principles and presentation

Standards and interpretations that have been adopted

The Company applied the following new and revised standards and interpretations for the first time in the financial year beginning on 1 January 2017:

- Amendments to IAS 7 Cash flow statement (effective 1 January 2017)
- Amendments to IAS 12 Income taxes (effective 1 January 2017)

The adoption has not led to any changes in the Company's accounting principles. The adoption has also not led to any changes in the presentation of either the Cash flow statement or tax notes. This is due to the specific amendments being related to areas within the standard to which the Company have no exposure for the year ended 31 December 2017. The standards and interpretations did not have any impact on the reported results or financial position of the Company.

Standards and interpretations that have not yet been adopted

New and revised standards and interpretations were published that must be applied for financial years beginning on or after 1 January 2018. The Company has chosen not to adopt these in advance. The new and revised standards and interpretations that will be relevant to the Company are as follows:

- IFRS 9 Financial Instruments (effective 1 January 2018, early adoption permitted)

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost; fair value through other comprehensive income; and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income, not recycling. An expected credit losses model replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there are no changes to classification and measurement, except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The Company adopted IFRS 9 on 1 January 2018. The classification and measurement basis for its financial assets and liabilities remains largely unchanged

since this adoption. The Company has measured the impact of the expected loss model and this impact is immaterial at present.

- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2018, early adoption permitted)

IFRS 15, 'Revenue from contracts with customers', deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. Variable consideration is included in the transaction price if it is highly probable that there will be no significant reversal of the cumulative revenue recognised when the uncertainty is resolved. The standard replaces IAS 18, 'Revenue', and IAS 11, 'Construction contracts', and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018, and earlier application is permitted.

The Company adopted IFRS 15 on 1 January 2018. As part of the adoption process the Company, in conjunction with LGT Group, carried out a review of existing contractual arrangements. This review concluded that there is no material impact for both revenue streams – information service and sub distribution - based on their fixed consideration nature. The Company has no variable consideration income. Based on these findings there is no material impact resulting from the adoption of this standard.

Based on initial analyses, the following new standard which have to be applied for financial years beginning on or after 1 January 2018 will have an impact on the Company. A full assessment of the impact will be conducted in advance of its adoption.

- IFRS 16 Leases (effective 1 January 2019, early adoption permitted)

Based on initial analyses, the following new and revised standards and interpretations which have to be applied for financial years beginning on or after 1 January 2018 are not expected to have any significant impact on the reported results or financial position of the Company:

- Amendments to IFRS 2 Share based payments (effective 1 January 2018, early adoption permitted)
- Amendments to IAS 28 Investment in associates and joint ventures (effective 1 January 2018, early adoption permitted)
- Amendments to IAS 40 Investment property (effective 1 January 2018, early adoption permitted)
- IFRIC 22 Foreign currency transactions and advance consideration (effective 1 January 2018, early adoption permitted)

- IFRIC 23 Uncertainty over income tax treatments (effective 1 January 2019, early adoption permitted)
- IFRS 17 Insurance contracts (effective 1 January 2021, early adoption permitted)

(b) Use of estimates

The Board of Directors makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no estimates and assumptions identified that have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses within the next financial year.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "Functional Currency"). This is the Great British Pound ("GBP"), which reflects the costs incurred by the Company's primary activity of providing marketing and promotion services for alternative fund vehicles.

(ii) Transactions and balances

Foreign currency transactions are translated into GBP using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated using exchange rates at the year end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(iii) List of year-end and average foreign currency ("FX") rates per GBP

Foreign Currency	FX rate as at 31 December 2017	FX rate as at 31 December 2016	2017 average FX rate	2016 average FX rate
USD	1.353	1.236	1.301	1.346
CHF	1.319	1.256	1.275	1.328
EUR	1.127	1.171	1.143	1.219

(d) Cash and cash equivalents

Cash and cash equivalents comprise demand, call and term deposits with a maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents comprise all cash, short-term deposits and other money market instruments, net of short-term overdrafts, with a maturity of three months or less. Cash and cash equivalents are recorded at nominal value.

(e) Operating lease commitments

The rental charges in relation to the operating lease commitments are recognised in the statement of comprehensive income as they occur. The rent free period and the reduced rent period are recognised over the term of the lease.

(f) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Fixtures, fittings and equipment	25% straight line
Leasehold amortisation	length of leasehold period

(g) Turnover

Turnover represents amounts receivable for marketing and promotion services net of VAT where applicable, investment advisory fee income, investment income and sub distribution fees. Turnover is recognised in the Statement of Comprehensive Income on an accruals basis.

(h) Interest income

Interest income is recognised in the statement of comprehensive income on an effective interest rate basis.

(i) Accrued expenses

Expenses are recognised in the statement of comprehensive income on an accruals basis.

(j) Retrocession payments

Retrocession payments are made quarterly in arrears to professional intermediaries. The payments are based on a percentage of the management fee rebated to the intermediary firm. Retrocession payments are recognised on an accruals basis.

(k) Taxation

Corporation tax is provided on the taxable profits of the Company.

Deferred tax is provided on all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date. Deferred tax is not discounted.

(l) Consolidation of subsidiary holdings

All LGT Group subsidiaries are consolidated at Group level so consolidated accounts for the immediate parent, in this case the Company, are not required in accordance with IFRS 10.4.

(m) Classification of subsidiary holdings

The Company classifies the subsidiary holdings of LGT Capital Partners (Australia) Pty Ltd as an investment on the Statement of Financial Position. In accordance with IAS27, subsidiary holdings are held at cost. On an annual basis the investment carrying amount (i.e. cost) is reviewed to determine whether there is any objective evidence of impairment. Where such evidence is identified, the investment is tested to determine whether the carrying value is less than its recoverable amount (i.e. the higher of fair value less costs to sell and value in use). Indicators of impairment could include, but are not limited to, significant changes to the funds industry and changes to the regulatory, market, economic or legal environments.

(n) Dividends

Dividends are recognised in the Company's financial statements in the year when they are approved by the Directors and paid to the sole shareholder.

2. Beneficial ownership

The Company is the part of the LGT Group Foundation. The beneficiary of the Company is the Prince of Liechtenstein Foundation. The beneficiary of the Prince of Liechtenstein Foundation is the reigning Prince of Liechtenstein, H.S.H. Prince Hans-Adam II. von und zu Liechtenstein. The ownership of the Company changed during 2016. On 31 October 2016, the transfer of ownership to LGT UK Holdings Limited was approved by the FCA. The principal activity of the Company continues to be that of marketing and promotion of funds.

3. Turnover	2017	2016
	GBP '000	GBP '000
Information service fee income	1,643	2,773
Sub-distribution fee income	2,734	674
Investment advisory fee income	868	933
Philanthropy services fee income	1,094	355
	6,339	4,735

4. Personnel expenses		2017	2016
		GBP '000	GBP '000
	Salaries and bonus	2,572	1,906
	Social security costs	333	251
	Pension costs	17	64
	Medical insurance	72	59
	Other staff costs	37	49
		3,078	2,306
	Average headcount	13	11
5. Operating expenses		2017	2016
		GBP '000	GBP '000
	General operating expenses	1,232	902
	Depreciation of tangible assets	11	14
	Auditors remuneration – audit fees	12	16
	Expenses paid on behalf of Impact Ventures S.A.	1,917	1,263
		3,172	2,195
6. Taxation on operating activities		2017	2016
		GBP '000	GBP '000
	Domestic current year tax		
	Corporation tax expense	19	48
	Total tax charge	19	48
	Reconciliation of tax charge		
	Profit on ordinary activities before taxation	89	234
	Profit on ordinary activities before taxation multiplied by the tax of U.K. corporation rate of 19% (2017) and a blended rate of 20% (2016).	18	47
	Effects of:		
	Prior year adjustment	-	4
	Current year adjustment	1	(3)
	Current tax charge	19	48

7. Tangible assets	2017	2016
	GBP '000	GBP '000
Cost:		
At 1 January	332	322
Additions/ (disposals) during the year	(2)	10
At 31 December	330	332
Depreciation:		
At 1 January	319	305
Charge for the year	11	14
At 31 December	330	319
Net book value, at 31 December		13

8. Other non-current assets	2017	2016
	GBP '000	GBP '000
Leasehold deposit receivable	91	91
	91	91

9. Financial investment	2017	2016
	GBP '000	GBP '000
Investment in LGT Capital Partners (Australia) Pty Limited	387	387
	387	387

There have been no significant changes to the subsidiary of the Company, CP AUS. The investment amount held on the statement of financial position remains unchanged. The investment held is in accordance with IAS 27, at cost, less any impairment. An impairment is suffered when the recoverable amount is less than the cost ("carrying amount"). At 31 December 2017, an impairment test was undertaken and the outcome was that the carrying amount is greater than recoverable amount therefore no impairment is necessary. An impairment test was carried out in 2016, which was based on the same methodology, resulted in the carrying amount being greater than the recoverable amount.

10. Cash and cash equivalents	2017	2016
	GBP '000	GBP '000
Cash at bank	1,188	2,188
	1,188	2,188

The cash at bank balances are held with HSBC Bank plc, GBP 240,978 (31 December 2016: GBP 246,935), and LGT Bank Limited, GBP 946,061 (31 December 2016: GBP 1,939,747). Petty cash amounts to GBP 768 (31 December 2016: GBP 1,322).

11. Debtors and other assets	2017	2016
	GBP '000	GBP '000
Prepayments and accrued income	3,322	1680
Other assets	53	42
	3,375	1,722

12. Current liabilities – amounts falling due within one year	2017	2016
	GBP '000	GBP '000
Corporation tax liability	-	54
Social security costs	185	156
Accruals and deferred income	2,067	1,472
	2,252	1,682

13. Operating lease commitments	2017	2016
	GBP '000	GBP '000
Maturing up to 1 year	96	135
Maturing between 1 and 2 years	-	-
Total operating lease commitments	96	135

14. Share Capital	2017	2016
	GBP '000	GBP '000
Authorised:		
1,520,000 Ordinary Shares of GBP 1 each	1,520	1,520
50,000 Non-Cumulative Preference Shares of GBP 1 each	50	50
	1,570	1,570
Allotted, called up and fully paid:		
1,520,000 Ordinary Shares of GBP 1 each	1,520	1,520
50,000 Non-Cumulative Preference Shares of GBP 1 each	50	50
	1,570	1,570

During 2016, the ownership of the Company was transferred from LGT Holding Denmark Aps to LGT UK Holdings Limited as approved by the FCA. The Company was transferred at cost and the cash consideration totalled GBP 1,972,993. The ultimate parent company remains unchanged as LGT Group Foundation.

15. Retained earnings	2017	2016
	GBP '000	GBP '000
Opening balance	1,149	963
Total comprehensive profit for the year	70	186
Closing balance	1,219	1,149

16. Related party transactions

Under IAS 24 related parties of the Company include, LGT Financial Services Limited, LGT Fund Managers (Ireland) Limited, LGT Bank (Ireland) Limited, LGT Bank AG, Dublin Branch, LGT Bank Limited, LGT Capital Partners (Ireland) Limited, LGT Capital Partners Limited, LGT Bank (Switzerland) Limited, LGT Holdings UK Ltd, LGT European Capital Limited, LGT European Capital Limited, Paris Branch, LGT ECAS Agent S.A.S, LGT Group Holdings and LGT Capital Partners (Australia) Proprietary Limited. All of these companies are subsidiaries of LGT Group Foundation, the ultimate parent company of the Company.

During 2016, the ownership of the Company was transferred from LGT Holding Denmark Aps to LGT UK Holdings Limited as approved by the FCA. The Company was transferred at cost and the consideration totalled GBP 1,972,993. The ultimate parent company remains unchanged as LGT Group Foundation.

	2017	2016
LGT Financial Services Limited	GBP '000	GBP '000
Purchase of services	171	146
Amounts payable at year end	24	25

Registered address of LGT Financial Services Limited is Herrengasse 12, FL-9490, Vaduz, Principality of Liechtenstein.

Management services provided by LGT Financial Services Limited include information technology, legal & professional and financial information system services, which are charged on a cost plus basis to include a margin of 5%.

	2017	2016
LGT Group Foundation Limited	GBP '000	GBP '000
Purchase of services	8	-
Amounts receivable at year end	-	-

Registered address of LGT Group Foundation Limited is Herrengasse 12, FL-9490, Vaduz, Principality of Liechtenstein.

The services provided by LGT Group Foundation Limited includes travel costs.

	2017	2016
LGT Group Holdings Limited	GBP '000	GBP '000
Purchase of services	10	-
Amounts receivable at year end	-	-

Registered address of LGT Group Holdings Limited is Herrengasse 12, FL-9490, Vaduz, Principality of Liechtenstein.

Management services provided by LGT Group Holdings Limited include insurance, legal and tax services, which are charged to the equivalent to the effective cost of the insurance policy per coverage and headcount.

	2017	2016
LGT Bank (Ireland) Limited	GBP '000	GBP '000
Purchase of services	-	36
Amounts receivable at year end	-	-

Registered address of LGT Bank (Ireland) Limited is Third Floor, 30 Herbert Street, Dublin 2, Ireland

Management services consisting of accounting and legal services were provided by LGT Bank (Ireland) Limited. On 31 October 2016, all assets and liabilities of LGT Bank (Ireland) Limited were transferred to LGT Bank AG, Dublin Branch, a branch of LGT Bank Limited, via a ministerial order under the Central Bank Act 1971. The transfer was the result of a strategic decision to continue the LGT banking operations in Ireland under a branch structure and there has been no change to terms and conditions following the transfer.

	2017	2016
LGT Bank AG, Dublin Branch	GBP '000	GBP '000
Purchase of services	44	7
Amounts receivable at year end	44	43

Registered address of LGT Bank AG, Dublin Branch is Third Floor, 30 Herbert Street, Dublin 2, Ireland.

Management services were transferred to LGT Bank AG, Dublin Branch after the transfer of assets and liabilities from LGT Bank (Ireland) Limited on 31 October 2016. These services consisting of accounting and legal services are charged on a cost plus basis to include a margin of 5%.

	2017	2016
LGT Bank Limited	GBP '000	GBP '000
Cash and term deposits at year end	946	1,940

Registered address of LGT Bank Limited is Herrengasse 12, FL-9490, Vaduz, Principality of Liechtenstein.

The Company maintains fixed-term deposits with LGT Bank Limited. During 2017, these deposits generated marginal interest income which were based on market rates. For 2016, these deposits generated marginal interest income which were based on market rates.

	2017	2016
LGT Capital Partners (Ireland) Limited	GBP '000	GBP '000
Information service fee income	1,643	2,773
Sub-distribution fee income	2,047	606
Amounts receivable at year end	733	1,008

Registered address of LGT Capital Partners (Ireland) Limited is Third Floor, 30 Herbert Street, Dublin 2 Ireland.

Information service fee income received from LGT Capital Partners (Ireland) Limited is determined on a cost plus 7.5% basis based on the operational expenses of the Company.

Sub-distribution fees are based on an agreed percentage per service level agreements with LGT Capital Partners (Ireland) Limited. Fees received from LGT Capital Partners (Ireland) Limited are for sub-distribution services on behalf of 15 funds (2016: 9 funds).

	2017	2016
LGT Capital Partners Limited	GBP '000	GBP '000
Sub-distribution fee income	687	68
Amounts receivable at year end	602	30

Registered address of LGT Capital Partners Limited is Schutzenstrasse 6, CH-8808, Pfaeffikon, Switzerland.

Sub-distribution fees are based on an agreed percentage per service level agreements with LGT Capital Partners Limited. Fees received from LGT Capital Partners Limited are for sub-distribution services on behalf of 11 funds (2016: 8).

	2017	2016
LGT Bank (Switzerland) Limited	GBP '000	GBP '000
Investment advisory fee income	868	933
Amounts receivable at year end	465	236

Registered address of LGT Bank (Switzerland) Limited is LangeGasse 15, CHF-4002, Basel, Switzerland.

In consideration of the duties and services to be performed by the Company, the Company is paid by LGT Bank (Switzerland) Limited and is entitled to receive from LGT Bank (Switzerland) Limited an annual fee (plus VAT, if applicable) of 100% of the investment advisory and performance fee to which LGT Bank (Switzerland) Limited is entitled in respect of Impact Ventures as provided for in the Advisory Agreement. From the investment advisory fee income, 20% is paid to Berenberg Bank as a sub-advisory fee. Additionally, the Company is reimbursed by LGT Bank (Switzerland) Limited for all reasonable out-of-pocket costs and expenses incurred by the Company in connection with the performance of its services.

	2017	2016
LGT Holdings UK Limited	GBP '000	GBP '000
Expenses paid on behalf of LGT Holdings UK Limited	35	-
Amounts receivable at year end	35	-

Registered address of LGT Holdings UK Limited is Herrengasse 12, FL-9490, Vaduz, Principality of Liechtenstein

The Company paid expenses on behalf of LGT Holdings UK Limited, while the entity was being set up.

	2017	2016
LGT European Capital Limited	GBP '000	GBP '000
Expenses paid on behalf of LGT European Capital Limited	495	-
Amounts receivable at year end	495	-

Registered address of LGT European Capital Limited is 25 Bedford Street, London WC2E9ES, United Kingdom.

The Company paid expenses on behalf of LGT European Capital Limited while the entity was being set up.

	2017	2016
LGT European Capital Limited, Paris Branch	GBP '000	GBP '000
Expenses paid on behalf of LGT European Capital Limited, Paris Branch	8	-
Amounts receivable at year end	8	-

Registered address of LGT European Capital Limited, Paris Branch is 37 Avenue Pierre 1er de Serbie, 75008 Paris, France

The Company paid expenses on behalf of LGT European Capital Limited, Paris Branch while the entity was being set up.

	2017	2016
LGT ECAS Agent S.A.S	GBP '000	GBP '000
Expenses paid on behalf of LGT ECAS Agent S.A.S	2	-
Amounts receivable at year end	2	-

Registered address of LGT ECAS Agent S.A.S is 37 Avenue Pierre 1er de Serbie, 75008 Paris, France.

The Company paid expenses on behalf of LGT ECAS Agent S.A.S while the entity was being set up.

	2017	2016
LGT Capital Partners (Australia) Proprietary Limited	GBP '000	GBP '000
Financial investment	387	387

Registered address of LGT Capital Partners (Australia) Pty Limited is Level 36 Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia

LGT Capital Partners (Australia) Pty Limited was financed by an initial capital injection from the Company during 2014 and is now self-sufficient.

Key management personnel comprise the members of the Board of Directors. A listing of the Directors is provided on page 2. In 2017 the total remuneration of the Directors was GBP 212,265 (2016: GBP 223,996). Post-employment benefits paid to Directors during the year were Nil (2016: Nil).

	2017	2016
Directors remuneration:	GBP '000	GBP '000
- Emoluments for services as Directors	218	224
- Emoluments for other services	-	-

No loans were provided by the Company to key management personnel or any connected person during the year under review (2016: Nil).

17. Pension scheme

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The Company's contributions to the scheme for services provided by employees for the year amounted to GBP 64,412 (31 December 2016: GBP 41,495). Amounts payable at year end were GBP Nil (31 December 2016: GBP Nil).

18. Post balance sheet events

There were no significant post balance sheet events.

19. Capital resources

The Company's capital is comprised entirely of Tier 1 capital:

- Tier 1 capital comprises of called up share capital and the audited profit and loss account.

A summary of the Company's total capital is as follows:

	GBP '000
Tier 1:	
Called up share capital	1,570
Retained earnings	1,219
Total capital	2,789

20. Market, operational, credit and strategic risk

The Company is classified as a Capital Adequacy Directive ("CAD") Exempt firm. As the Company has a non-complex operational infrastructure and business activities, it is the Directors opinion that the simplified standard approach to credit, market and operational risk is appropriate.

The Company has assessed its Pillar 1 capital requirement to be GBP 1,125,000 and its Pillar 2 capital requirement to be GBP 323,000 in accordance with FSA requirements. The Pillar 3 Disclosures can be found on the LGT Group website. Please visit www.lgt.com.

21. Approval of financial statements

The financial statements were approved by the Board of Directors on 23 April 2018.

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LGT Group is represented in more than 20 locations in Europe, Asia and the Middle East
A complete address list can be seen at www.lgt.com

