
**Annual Report and
Consolidated Financial Statements
LGT Vestra LLP**

For the year ended 31 December 2018

Registered number : OC329392



LGT Vestra LLP

Information

Designated Members

David Scott
Benjamin Snee
William John Habberfield

LLP Registered Number

OC329392

Registered Office

14 Cornhill
London
EC3V 3NR

Independent Auditors

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

LGT Vestra LLP

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LGT Vestra LLP

Members' Report

For the year ended 31 December 2018

The members present their annual report together with the audited financial statements of LGT Vestra LLP (the "LLP") for the year ended 31 December 2018. The consolidated results for the year ended 31 December 2018 comprise of the results for LGT Vestra LLP and its subsidiaries LGT Vestra (Jersey) Limited and LGT Vestra US Limited (the "Group").

Principal activities and review of the business

The LLP and the Group were incorporated on 27 June 2007 and commenced operations on that date.

The principal object of the LLP and the Group is to provide wealth management and financial advisory services tailored to clients' needs.

The results for the period and the financial position of the LLP are shown in the financial statements. The Group profit after tax for the period was £10,766,874 (the profit for the period ended 31 December 2017 was £10,951,011). The LLP profit after tax for the period was £11,636,503 (the profit for the period ended 31 December 2017 was £11,285,580).

The net assets at 31 December 2018 for the Group are £36,456,788 (31 December 2017 - £31,557,194). The net assets at 31 December 2018 for the LLP was £37,162,836 (31 December 2017 - £31,393,613).

The Group's net decrease in cash for the year ended 31 December 2018 was £3,461,888 (the net decrease in the period ended 31 December 2017 was £5,596,470). The LLP's net decrease in cash for the period ended 31 December 2018 was £4,374,712 (the net decrease in the period 31 December 2017 was £6,750,659).

Designated Members

The designated members during the period were as follows:

David Scott
Benjamin Snee
William John Habberfield

Principle risks and uncertainties and future prospects

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

The Group has identified the volatility of markets as a particular risk. An extreme fall in the equity markets would depress the value of assets under management and therefore the Group's revenues. However, the Group believes defensive positioning of many of the portfolios will enable it to withstand any severe downturn.

Such conditions could affect the confidence of prospective clients to invest monies with this or any firm and therefore reduce the flow of new net money to the Group.

The impact of the UK's impending withdrawal from the 'EU' has been considered at length. As the current situation is unclear as to the nature of the withdrawal, it has been deemed challenging to quantify the impacts this may have on the business, however as the majority of the LLP's clients are UK residents we expect a minimal risk to business activity.

LGT Vestra LLP

Members' Report

For the year ended 31 December 2018

Principle risks and uncertainties and future prospects (continued)

The Group remains cautiously optimistic about the forthcoming year and its business strategy remains focussed on client satisfaction. The members are committed to the Group becoming one of the leading wealth management businesses in the UK and Jersey.

There have been no significant adverse events since the Statement of Financial Position date.

Policy regarding Members' drawings, and the subscription and repayment of amounts subscribed or otherwise contributed by Members.

The LLP Membership Agreement dated 11 March 2016, sets out the basis for members' drawings and the amounts subscribed or otherwise contributed by members.

The overall policy followed in relation to member's drawings is to only allow drawings on account of members' profit share of unaudited profits when such drawings have been approved by the LLP. Drawings on account of members' shares of audited profits are permitted after the satisfaction of regulatory capital requirements.

The overall policy in relation to amounts subscribed or otherwise contributed by members is that it should be sufficient for the day-to-day running of the business of the LLP and to meet its regulatory requirements, and that capital will be repaid only when it will not prejudice those needs or requirements and further capital is invested in the LLP by existing, or new, members.

Members' capital is presented as equity in the financial statements. Details of transfers of members' interests between equity and debt during the period are set out in note 20 and 21 of the financial statements.

Going concern

At the time of approving the Group's financial statements it is the designated members' judgement that the Group has sufficient resources to continue trading for the foreseeable future.

Members' drawings and the subscription and repayment of members' capital

During the period to 31 December 2018, the members received drawings including historic tax reserves of £20.7m (period ended 31 December 2017 £10.9m) and introduced capital of £5.3m (period ended 31 December 2017 £0.08m).

Members' Responsibilities Statement

The members are responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable law and regulation.

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 period. Under that law the members have prepared the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and limited liability partnership financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

LGT Vestra LLP

Members' Report

For the year ended 31 December 2018

Members' Responsibilities Statement (continued)

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;
- state whether applicable IFRSs as adopted by the European Union have been followed for the group financial statements and IFRSs as adopted by the European Union have been followed for the limited liability partnership financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and limited liability partnership will continue in business.

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 as applied to limited liability partnerships by the Regulations.

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.

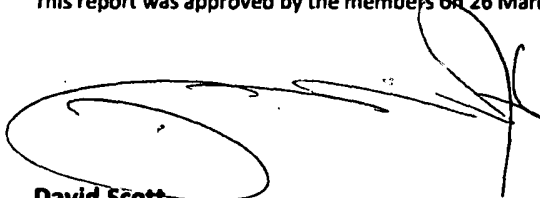
Disclosure of information to auditors

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the Group's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

PricewaterhouseCoopers LLP have expressed their willingness to continue as auditors and will be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008, unless the partnership received notice under section 488(1) of the Companies Act 2006 as modified by the Limited Liabilities Partnership regulations 2008.

This report was approved by the members on 26 March 2019 and signed on their behalf on 1 April 2019 by:



David Scott
Designated member

LGT Vestra LLP

Independent auditors' report to the members of LGT Vestra LLP Report on the audit of the financial statements

Opinion

In our opinion, LGT Vestra LLP's group financial statements and limited liability partnership financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the limited liability partnership's affairs as at 31 December 2018 and of the group's profit and the group's and the limited liability partnership's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the limited liability partnership's financial statements, as applied in accordance with the provisions of the Companies Act 2006 as applied to limited liability partnerships; 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 Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and LLP Statements of Financial Position as at 31 December 2018; the Consolidated Statement of Comprehensive Income, the Consolidated and LLP Statements of Cash Flows, and the Consolidated and LLP Statements 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

ISAs (UK) require us to report to you when:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and limited liability partnership'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.

We have nothing to report in respect of the above matters.

LGT Vestra LLP

Independent auditors' report to the members of LGT Vestra LLP Report on the audit of the financial statements (continued)

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and limited liability partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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 Members' Responsibilities Statement set out on pages 4-5, 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 limited liability 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 limited liability 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.

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 opinion, 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

LGT Vestra LLP

**Independent auditors' report to the members of LGT Vestra LLP
Report on the audit of the financial statements (continued)**

(Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 as applicable to limited liability partnerships 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 limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the limited liability partnership financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Tina Ahuja (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
1 April 2019

LGT Vestra LLP

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2018

	Note	2018 £	2017 £
Turnover	4	63,754,607	52,262,423
Operating expenses		(52,882,031)	(41,230,433)
Operating Profit	5	10,872,576	11,031,990
Interest receivable and similar income	9	7,597	7,942
Interest payable and expenses	10	(113,299)	(52,193)
Profit before tax		10,766,874	10,987,739
Tax expense in corporate subsidiaries	11	-	(36,728)
Change in net assets attributable to members		10,766,874	10,951,011
Other comprehensive income			
Revaluation of investments		218,551	-
Total other comprehensive income		218,551	-

All income is from continuing activities.

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The notes on pages 20 to 38 form part of these financial statements.

LGT Vestra LLP

Registered number : OC329392

Consolidated Statement of Financial Position

As at 31 December 2018

	Note	31 December 2018		31 December 2017	
		£	£	£	£
Non-current assets					
Investments	13		305,500		-
Intangibles	14		1,218,507		1,914,798
Property, plant and equipment	15		5,686,671		5,889,855
			<u>7,210,678</u>		<u>7,804,653</u>
Current Assets					
Trade and other receivables	17	29,539,155		20,436,126	
Cash and cash equivalents	18	10,672,940		14,134,828	
		<u>40,212,095</u>		<u>34,570,954</u>	
Current Liabilities					
Trade and other payables	19	(10,965,985)		(10,818,413)	
Net current assets			<u>29,246,110</u>		<u>23,752,541</u>
Total assets less current liabilities			<u>36,456,788</u>		<u>31,557,194</u>
Non-current liabilities					
Trade and other payables - non current			-		-
Net assets attributable to members			<u>36,456,788</u>		<u>31,557,194</u>
Represented by:	23				
Members' capital classified as equity		25,307,782		20,108,033	
Revaluation reserve		218,551		-	
Other reserves classified as equity		10,930,455		11,449,161	
			<u>36,456,788</u>		<u>31,557,194</u>
			<u>36,456,788</u>		<u>31,557,194</u>

LGT Vestra LLP

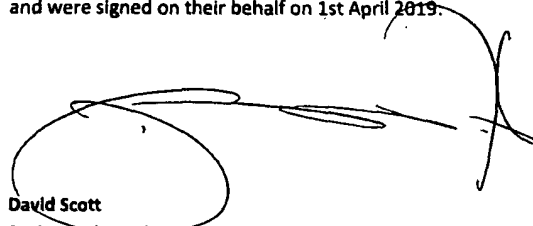
Registered number : OC329392

Consolidated Statement of Financial Position (continued)

As at 31 December 2018

		31 December 2018		31 December 2017	
	Note	£	£	£	£
Total members' interests					
Amount due from members (included in trade receivables)	17		(12,359,667)		(2,896,054)
Amounts due to members (included in trade payables)	19		-		-
Members' other interests			36,456,788		31,557,194
	23		<u>24,097,121</u>		<u>28,661,140</u>

The financial statements on pages 9 - 38 were approved and authorised for issue by the members on 26th March 2019 and were signed on their behalf on 1st April 2019.


David Scott
Designated member

LGT Vestra LLP
Registered number : OC329392

LLP Statement of Financial Position

As at 31 December 2018

	Note	31 December 2018		31 December 2017	
		£	£	£	£
Non-current assets					
Investments	13		305,500		
Intangibles	14		1,218,507		1,914,798
Property, plant and equipment	15		5,518,523		5,624,914
Investments in subsidiaries	16		2,867,974		2,867,978
			<u>9,910,504</u>		<u>10,407,690</u>
Current Assets					
Trade and other receivables	17	28,852,945		19,363,829	
Cash and cash equivalents	18	6,692,676		11,067,388	
			<u>35,545,621</u>		<u>30,431,217</u>
Current Liabilities					
Trade and other payables	19	(8,293,289)		(9,445,294)	
			<u>27,252,332</u>		<u>20,985,923</u>
Net current assets			<u>37,162,836</u>		<u>31,393,613</u>
Total assets less current liabilities			<u>37,162,836</u>		<u>31,393,613</u>
Non-current liabilities					
Trade and other payables - non current					
			<u>37,162,836</u>		<u>31,393,613</u>
Net assets attributable to members					
Represented by:	24				
Members' capital classified as equity		25,307,782		20,108,033	
Revaluation reserve		218,551			
Other reserves classified as equity		11,636,503		11,285,580	
			<u>37,162,836</u>		<u>31,393,613</u>
			<u>37,162,836</u>		<u>31,393,613</u>

LGT Vestra LLP

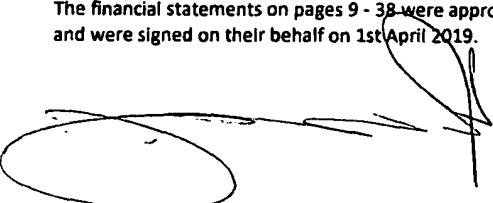
Registered number : OC329392

LLP Statement of Financial Position (continued)

As at 31 December 2018

		31 December 2018		31 December 2017	
	Note	£	£	£	£
Total members' interests					
Amount due from members (included in trade receivables)	17		(12,359,667)		(2,896,053)
Amounts due to members (included in trade payables)	19				
Members' other interests			37,162,836		31,393,613
	24		<u>24,803,169</u>		<u>28,497,560</u>

The financial statements on pages 9 - 38 were approved and authorised for issue by the members on 26th March 2019 and were signed on their behalf on 1st April 2019.


David Scott
Designated member

LGT Vestra LLP

Consolidated Statement of Changes in Equity

For the year ended 31 December 2018

	Members capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total equity £
At 1 January 2018	20,108,033	-	11,449,161	31,557,194
Profit for year available for discretionary division among members	-	-	10,766,874	10,766,874
Total comprehensive income for the year	-	-	10,766,874	10,766,874
Contributions by and distributions to members				
Allocated profit	-	-	(11,285,580)	(11,285,580)
Capital introduced by members	5,276,000	-	-	5,276,000
Capital amounts repaid to members	(76,251)	-	-	(76,251)
Revaluation Reserve	-	218,551	-	218,551
Total transactions with members	5,199,749	218,551	(11,285,580)	(5,867,280)
At 31 December 2018	25,307,782	218,551	10,930,455	36,456,788

The notes on pages 20 to 38 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2017

	Members capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total equity £
At 1 January 2017	20,086,939	-	8,337,660	28,424,599
Profit for year available for discretionary division among members	-	-	10,951,011	10,951,011
Total comprehensive income for the year	-	-	10,951,011	10,951,011
Contributions by and distributions to members				
Allocated profit	-	-	(7,839,510)	(7,839,510)
Capital introduced by members	83,750	-	-	83,750
Capital amounts repaid to members	(62,656)	-	-	(62,656)
Total transactions with members	21,094	-	(7,839,510)	(7,818,416)
At 31 December 2017	20,108,033	-	11,449,161	31,557,194

The notes on pages 20 to 38 form part of these financial statements.

LGT Vestra LLP

LLP Statement of Changes in Equity

For the year ended 31 December 2018

	Members capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total equity £
At 1 January 2018	20,108,033	-	11,285,580	31,393,613
Profit for year available for discretionary division among members	-	-	11,636,503	11,636,503
Total comprehensive income for the year	-	-	11,636,503	11,636,503
Contributions by and distributions to members				
Allocated profit	-	-	(11,285,580)	(11,285,580)
Capital introduced by members	5,276,000	-	-	5,276,000
Capital Injections	(76,251)	-	-	(76,251)
Revaluation Reserve	-	218,551	-	218,551
Total transactions with members	5,199,749	218,551	(11,285,580)	(5,867,280)
At 31 December 2018	25,307,782	218,551	11,636,503	37,162,836

The notes on pages 20 to 38 form part of these financial statements.

LLP Statement of Changes in Equity

For the year ended 31 December 2017

	Members capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total equity £
At 1 January 2017	20,086,939	-	7,839,510	27,926,449
Profit for year available for discretionary division among members	-	-	11,285,580	11,285,580
Total comprehensive income for the year	-	-	11,285,580	11,285,580
Contributions by and distributions to members				
Allocated profit	-	-	(7,839,510)	(7,839,510)
Capital introduced by members	83,750	-	-	83,750
Capital amounts repaid to members	(62,656)	-	-	(62,656)
Total transactions with members	21,094	-	(7,839,510)	(7,818,416)
At 31 December 2017	20,108,033	-	11,285,580	31,393,613

The notes on pages 20 to 38 form part of these financial statements.

LGT Vestra LLP

Consolidated Statement of Cash Flows

For the year ended 31 December 2018

	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Cash flows from operating activities		
Profit for the financial period	10,766,874	10,951,011
Adjustments for:		
Depreciation of property, plant and equipment	2,582,231	963,165
Interest paid	113,299	52,193
Interest received	(7,588)	(7,942)
Taxation	-	36,728
(Increase) / decrease in trade receivables	753,301	(5,509,415)
Increase / (decrease) in trade payables	(255,496)	5,920,947
Corporation tax	(35,043)	(19,233)
Net cash generated from operating activities	<u>13,917,578</u>	<u>12,387,454</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,682,756)	(4,885,965)
Intangible assets	-	(2,088,870)
Interest received	7,588	7,942
Net cash from investing activities	<u>(1,675,168)</u>	<u>(6,966,893)</u>

LGT Vestra LLP

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2018

	Year ended 31 December 2018 £	Period ended 31 December 2017 €
Cash flows from financing activities		
(Repayment) / receipts of other loans	(179,551)	(245,422)
Capital introduced by members	5,276,000	83,750
Repaid finance leases	(41,555)	(79,082)
Interest paid	(113,299)	(52,193)
Members' capital repaid	(76,251)	(62,656)
Distributions paid to members	(20,569,642)	(10,661,428)
Net cash used in financing activities	(15,704,298)	(11,017,031)
Net (decrease) / increase in cash and cash equivalents	(3,461,888)	(5,596,470)
Cash and cash equivalents at the beginning of the period	14,134,828	19,731,298
Cash and cash equivalents at the end of the period	10,672,940	14,134,828
Cash and cash equivalents at the end of the period comprise :		
Cash and cash equivalents	18 10,672,940	14,134,828
	10,672,940	14,134,828

LGT Vestra LLP

LLP Statement of Cash Flows

For the year ended 31 December 2018

	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Cash flows from operating activities		
Profit for the financial period	11,636,503	11,285,580
Adjustments for:		
Depreciation of property, plant and equipment & amortisation	2,485,438	909,565
Interest paid	7,848	5,766
Interest received	(7,588)	(13)
Increase / (decrease) in trade receivables	(624,066)	(4,952,634)
Decrease in trade payables	(598,747)	5,211,079
Net cash generated from operating activities	12,899,388	12,459,343
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,682,756)	(4,600,541)
Intangible assets	-	(2,088,870)
Interest received	7,588	13
Net cash used in investing activities	(1,675,168)	(6,689,398)

LGT Vestra LLP

LLP Statement of Cash Flows (continued)

For the year ended 31 December 2018

	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Cash flows from financing activities		
(Repayment) / receipts of other loans	(179,551)	(245,422)
Capital injection	5,276,000	83,750
Repaid finance leases	(41,556)	(79,082)
Interest paid	(7,848)	(5,766)
Members' capital contributed	-	-
Members' capital repaid	(76,251)	(62,656)
Distribution paid to members	(20,569,726)	(10,661,428)
Investment in Subsidiaries	16	(1,550,000)
Net cash (used in) / generated from financing activities	(15,598,932)	(12,520,604)
Net (decrease) / Increase in cash and cash equivalents	(4,374,712)	(6,750,659)
Cash and cash equivalents at the beginning of the period	11,067,388	17,818,047
Cash and cash equivalents at the end of the period	6,692,676	11,067,388
Cash and cash equivalents at the end of the period comprise :		
Cash and cash equivalents	18	11,067,388
	6,692,676	11,067,388

LGT Vestra LLP

Notes to the Financial Statements

For the year ended 31 December 2018

1. General information

LGT Vestra LLP is a Limited Liability Partnership incorporated in England and Wales. Its registered office is at 14 Cornhill, London, EC3V 3NR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (effective for period commencing on or after 01/01/2016).

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Going concern

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

2.4 Amendment to IFRS

The following new standards, which have been applied in these Financial Statements, will or may have an effect on the Group's future financial statements.

IFRS 15, 'Revenue from contracts with customers': IFRS 15 establishes principles of 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. This has been applied from 1 January 2018 and superseded IAS 18 Revenue. The Group has assessed the implications of IFRS 15 and believe there is no financial impact on the Financial Statements.

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

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

2. Accounting policies (continued)

2.4 Amendment to IFRS

IFRS 16, 'Leases' addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for on the

Statement of Financial Position for lessees. The standard replaces IAS 17 'Leases', and related interpretations. The impact of this standard is that the assets and liabilities will be inflated and the charges shown below operating profit. The full impact is expected to be material and will be assessed over the course of the 2019 year. It has not been applied early in these financial statements.

The standard is effective for annual periods beginning on or after 1 January 2019 and will take effect in the 2019 financial statements.

The potential impact of other new standards, interpretations and amendments that are not yet effective have not yet been assessed.

2.5 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

the amount of revenue can be measured reliably;

- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Commission and contract revenue is recognised in the period in which the services are provided. Management fee revenue is recognised in the period in which the services are provided. All other revenue are recognised in the period in which the services are provided.

2.6 Property, plant and equipment

Property, plant and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of non-current assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to Statement of Comprehensive Income during the period in which they are incurred.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

2. Accounting policies (continued)

2.6 Property, plant and equipment (continued)

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

Depreciation is provided on the following basis:

Leasehold improvements	- Over the life of the lease
Office equipment	- 3 years straight line
Computer hardware and Software	- 3 years straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated Statement of Comprehensive Income. In 2018 there have been no disposals.

2.7 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

2.8 Finance leases

The group leases certain property, plant and equipment. Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.9 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Other investments are held at fair value and are revalued in accordance with IFRS 9 as detailed in section 2.4. Any revaluation gains or losses are recognised as other comprehensive income in line with group accounting policy.

The investments in subsidiaries and other investments are reviewed at the balance sheet date each year. Relevant forecasts and budgets are reviewed to ensure that the valuation of the investments is materially correct.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Group's, LLP's and subsidiaries' functional and presentational currency is GBP.

Transactions and balances

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

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

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

2.11 Finance costs

Finance costs are charged to the Income statement over the term of the debt using the effective interest so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

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

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

2.13 Members' remuneration and interests

Members' rights to participate in the profits or losses of the LLP are analysed between those that give rise to, from the LLP's perspective, either a financial liability or equity, in accordance with IAS 32, Financial Instruments Disclosure and Presentation. Members' different participation rights are analysed separately into liability and equity elements.

Members' remuneration

Non-discretionary amounts becoming due to members in respect of participation rights in the profits of the LLP for an accounting period that give rise to liabilities are presented as equity within the Statement of Financial Position. Amounts becoming due to members in respect of equity participation rights, following a discretionary division of profits, are debited directly to equity in the accounting period in which the division occurs. Such amounts are not presented as an expense within the Statement of Comprehensive Income.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

2. Accounting policies (continued)

2.13 Members' remuneration and interests (continued)

Members' remuneration

Members' remuneration is in the form of a profit share and is allocated in line with guidelines laid out in the Members Agreement subject to approval by the remuneration committee. The overall profit is allocated in two stages. First charge on profit allocation is to the executive members based on their executive responsibilities and contribution to the firm as determined by the Remuneration Committee. The second charge is based on the share of the equity held in the LLP by the member.

Members' interests

Members' capital is accounted for in accordance with IAS 32, Financial Instruments Disclosures and Presentation. Where the LLP has a contractual obligation to deliver cash or another financial asset to the member, the capital is treated as debt. Where the LLP has an unconditional right to avoid delivering cash or other financial assets to a member in respect of such amounts (ie. a repayment of the members' capital is discretionary), it is treated as equity.

2.14 Interest Income

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

2.15 Taxation

Tax paid on the profits arising in the LLP are a personal tax liability of the members of the LLP and therefore are not included as a tax charge or provision within these financial statements. Tax as presented within these financial statements represents tax arising from other group undertakings.

Tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the LLP and the Group operating and generate income. LGT Vestra Jersey) Limited operates in Jersey therefore 'income tax' charged on profits. LGT Vestra US Limited operates in the UK therefore 'corporation tax' charged on profits.

Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

2.16 Deferred Taxation

Deferred tax assets are recognised only when it is probable that taxable profits will be available against which the deferred tax asset can be utilised. Tax losses have been recognised for LGT Vestra US but as the company is not forecast to be profit making in the foreseeable future no such deferred tax asset has currently been accounted for.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash at hand and demand deposits with original maturities of three months or less.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

2. Accounting policies (continued)

2.18 Intangibles - Investment management contracts

Investment management contracts have been identified as a separately identifiable intangible asset arising from a business combination. The intangible asset is amortised on a straight-line basis over the expected life of the contracts, currently estimated at three years. The valuation is prepared in line with BVCA valuation principles. It is also reviewed at each year-end for any possible impairment.

2.19 Business Combinations

All business combinations are accounted for using the acquisition method. The cost of a business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer. The fair value of a business combination is calculated at the acquisition date by recognising the acquiree's identifiable assets, liabilities and contingent liabilities that satisfy the recognition criteria, at their fair values at that date. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree. The cost of a business combination in excess of fair value of net identifiable assets or liabilities acquired, including intangible assets identified, is recognised as goodwill. Any costs incurred in relation to a business combination are expensed as incurred.

2.20 Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

3. Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements in applying the LGT Vestra Group's accounting policies

Other than the valuation of intangibles – investment management contracts, there are no critical judgements that have been applied.

Key sources of estimation uncertainty

The only area for key assumptions that may concern the future, is in regards to the valuation and amortisation of intangibles. This is reviewed at the balance sheet date each year for impairment. There are no other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

4. Analysis of turnover

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

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Wealth management and financial advisory services	63,754,607	52,262,423
	<hr/> 63,754,607	<hr/> 52,262,423

All turnover arose within the United Kingdom and Channel Islands.

LGT Vestra LLP
Notes to the Financial Statements (continued)
For the year ended 31 December 2018

5. Operating Profit

The operating profit is stated after charging:

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Depreciation of property, plant and equipment	1,885,940	1,199,959
Amortisation of intangibles	696,291	174,072
Exchange differences	47,657	54,404
Other operating lease rentals	1,823,383	1,297,844
Finance lease interest	-	9,893
	<hr/>	<hr/>

6. Auditors' remuneration

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements and other services	201,667	105,300
	<hr/>	<hr/>
	201,667	105,300
Fees payable to the Group's auditor and its associates in respect of:		
The auditing of the financial statements of associates of the Group pursuant to legislation.	81,500	97,050
Audit related assurance services	120,167	8,250
Other	-	-
	<hr/>	<hr/>
	201,667	105,300

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

7. Employees

Staff costs were as follows:

	Group	Group	LLP	LLP
	Year Ended	Year Ended	Year Ended	Year Ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Wages and salaries	22,577,603	18,654,289	19,314,490	16,091,512
Social security costs	2,659,771	2,224,520	2,384,342	1,989,044
Cost of defined contribution scheme	1,240,132	1,121,821	1,136,306	1,012,923
Employee benefits	604,975	637,260	534,642	546,870
	27,082,481	22,637,890	23,369,780	19,640,349

The average monthly number of persons employed during the year / period was as follows:

	Group	Group	LLP	LLP
	Year Ended	Year Ended	Year Ended	Year Ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	No.	No.	No.	No.
Administration	260	231	236	208

8. Information in relation to members

The average number of members during the period was

Year Ended	Year Ended
31 December 2018	31 December 2017
No.	No.
50	42

The amount of profit attributable to the member with the largest entitlement was

Year Ended	Year Ended
31 December 2018	31 December 2017
£	£
1,033,565	877,138

The number of executive and revenue generating members as at 31 December 2018 was 50 (31 December 2017: 42).

The number of investor members as at 31 December 2018 was 1 (31 December 2017: 1).

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

9. Interest receivable and similar income

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Bank interest	7,597	7,942

10. Interest payable and similar expenses

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Interest payable	113,299	52,193

11. Tax expense in corporate subsidiaries

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Income Tax		
Current tax on profits for the period	-	36,728
Total current tax	-	36,728
Taxation on profit on ordinary activities	-	36,728

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Income tax		
Profit / (loss) of LGT Vestra (Jersey) Limited	(10,938)	345,005
Tax expense at standard rate of 10% (period ended 31 December 2017: 10%)	-	34,500
Expenses not deductible for tax purposes	-	2,228
	-	36,728

Factors affecting tax charge for the period

The tax assessed for the period is made up of ENIL in respect of LGT Vestra (Jersey) Limited and ENIL in respect of LGT Vestra US Limited. The tax assessed for LGT Vestra (Jersey) Limited is based on 10% of its profits, being the standard rate for a Jersey financial services company (period ended 31 December 2017: 10%). The LLP is not subject to corporation tax as the tax on its profits is borne by the members.

There is a potential deferred tax asset in LGT Vestra US Ltd of £304,059 (2017: 159,535) at the end of 2018, which arises in relation to losses carried forward, differences in the amount of depreciation charged and capital allowances claimed, and other temporary differences. This has not been recognised to the extent that the recoverability of this asset is uncertain. This amount will only be utilised in future when the Company generates taxable profits.

It is estimated that the tax losses available for utilisation against profits arising in future years amounts to £1,600,310 (2017: £839,656).

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

12. LLP Profit for the period

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the LLP for the year was £11,636,503 (period ended 31 December 2017 : £11,285,580).

13. Investments

Cost or valuation	Investments £	Total £
As at 1 January 2018	-	-
Additions	86,948	86,948
Revaluation	218,552	218,552
At 31 December 2018	305,500	305,500

Investments relate to LGT Vestra share holdings. These investments are held at fair value and are revalued in accordance with IFRS 9 with all gains or losses recognised as other comprehensive income in line with group accounting policy.

14. Intangible Assets

Cost or valuation	Investment Management Contracts £	Total £
As at 1 January 2018	2,088,870	2,088,870
Additions	-	-
At 31 December 2018	2,088,870	2,088,870
Accumulated Amortisation		
As at 1 January 2018	174,072	174,072
Charge for the period	696,291	696,291
At 31 December 2018	870,363	870,363
Net Book Value		
At 31 December 2018	1,218,507	1,218,507
At 31 December 2017	1,914,798	1,914,798

The intangible asset relates to customer contracts that were acquired as part of a business combination of a third party service provider on 16 October 2017. The value of the customer contracts were considered at the balance sheet date, and the carrying value of the investment was deemed accurate. No impairments were deemed necessary.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

15. Property, plant and equipment

Group	Leasehold Improvements £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation				
As at 1 January 2018	4,638,613	985,612	5,838,655	11,462,880
Additions	901,244	212,022	569,490	1,682,756
Disposals	-	-	-	-
At 31 December 2018	5,539,857	1,197,634	6,408,145	13,145,636
Accumulated Depreciation				
As at 1 January 2018	1,287,288	499,662	3,786,075	5,573,025
Charge for the period	653,503	103,503	1,128,934	1,885,940
Released on disposal	-	-	-	-
At 31 December 2018	1,940,791	603,165	4,915,009	7,458,965
Net Book Value				
At 31 December 2018	3,599,066	594,469	1,493,136	5,686,671
At 31 December 2017	3,351,325	485,950	2,052,580	5,889,855

There are no restrictions on title and no items of property, plant and equipment have been pledged as security.

The net book values of finance leases included above are:

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Property, plant and equipment	-	113,133
	-	113,133

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

15. Property, plant and equipment (continued)

LLP	Leasehold Improvements £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation				
As at 1 January 2018	4,549,227	961,777	5,538,513	11,049,517
Additions	901,244	212,022	569,490	1,682,756
Disposals	-	-	-	-
At 31 December 2018	5,450,471	1,173,799	6,108,003	12,732,273
Accumulated Depreciation				
As at 1 January 2018	1,245,611	476,713	3,702,279	5,424,603
Charge for the period	644,602	102,847	1,041,698	1,789,147
Released on disposal	-	-	-	-
At 31 December 2018	1,890,213	579,560	4,743,977	7,213,750
Net Book Value				
At 31 December 2018	3,560,258	594,239	1,364,026	5,518,523
At 31 December 2017	3,303,616	485,064	1,836,234	5,624,914

There are no restrictions on title and no items of property, plant and equipment have been pledged as security.

The net book values of finance leases included above are:

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Property, plant and equipment	-	113,133
	-	113,133

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

16. Investments in subsidiaries

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Country of incorporation	Place of business	Class of shares	Holding
LGT Vestra (Jersey) Limited	Jersey	Jersey	Ordinary	100%
LGT Vestra US Limited	UK	UK	Ordinary	100%
Vestra Nominees Limited	UK	UK	Ordinary	100%
Vestra Wealth (Jersey) Nominees Limited	Jersey	Jersey	Ordinary	100%

Subsidiary addresses:

UK - 14 Cornhill, London, EC3V 3NR

Jersey - First Floor, Charles Bisson House, 30-32 New Street, St Helier, Jersey, JE2 3TE

Group	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	2,867,978
Additions	-
At 31 December 2018	<u>2,867,978</u>
Net Book Value	
At 31 December 2018	<u>2,867,978</u>
At 31 December 2017	<u>2,867,978</u>
LLP	
Investments in subsidiary companies £	
Cost or valuation	
At 1 January 2018	2,867,978
Additions	-
Disposals	(4)
At 31 December 2018	<u>2,867,974</u>
Net Book Value	
At 31 December 2018	<u>2,867,974</u>
At 31 December 2017	<u>2,867,978</u>

The investments are reviewed for impairment on an annual basis at the balance sheet date. Forecasts and budgets are prepared and reviewed to ensure the accuracy of the valuation.

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

17. Trade receivables and other receivables

	Group	Group	LLP	LLP
	Year Ended	Year Ended	Year Ended	Year Ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Prepayments and accrued income	16,152,885	13,582,643	14,696,984	12,418,686
Other trade receivables	1,026,603	3,957,429	873,917	3,840,438
Amounts owed by group undertakings	-	-	922,377	208,652
Amounts due from members	12,359,667	2,896,054	12,359,667	2,896,053
	29,539,155	20,436,126	28,852,945	19,363,829

18. Cash and cash equivalents

	Group	Group	LLP	LLP
	Year Ended	Year Ended	Year Ended	Year Ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Cash and cash equivalents	10,672,940	14,134,828	6,692,676	11,067,388
	10,672,940	14,134,828	6,692,676	11,067,388

19. Trade payables: Amounts falling due within one year

	Group	Group	LLP	LLP
	Year Ended	Year Ended	Year Ended	Year Ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Client tax levies	26,817	24,640	26,817	24,640
Taxation and social security	2,143,685	1,630,554	2,083,958	1,555,314
Obligations under finance lease and hire purchase contracts	(40)	79,082	(40)	79,082
Other payables	2,921,217	4,144,963	1,799,759	3,965,801
Amounts due to members	-	-	-	-
Accruals	5,874,306	4,939,175	4,382,795	3,820,457
	10,965,985	10,818,413	8,293,289	9,445,294

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

20. Financial risk management

Credit Risk

The Firm is exposed to the panel of banks it has selected to hold its cash reserves. In order to mitigate this risk the firm has a counterparty credit policy and regularly reviews and monitors its chosen institutions. The Firm is also exposed to take risks of non-payment of debts and fees. Most debts are charged against client portfolios and so credit risk is low.

Liquidity Risk

Liquidity risk is managed at the LGT group level.

Foreign Currency Risk

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

	Group USD £000s	Group EUR £000s	Group Other £000s
31 December 2018			
Net statement of financial position exposures	23	31	85
	23	31	85
31 December 2017			
Net statement of financial position exposures	508	27	167
	508	27	167

21. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the Fund and amounted to £1,240,132 (2017: £1,121,821). Contributions totalling £105,109 (2017: £99,213) were payable to the Fund at the Statement of Financial Position date.

22. Commitments under operating leases

At 31 December 2018 the Group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	Group Year Ended 31 December 2018 £	Group Year Ended 31 December 2017 £	LLP Year Ended 31 December 2018 £	LLP Year Ended 31 December 2017 £
Not later than 1 year	2,389,294	1,479,774	2,316,019	1,387,521
After one year but not more than five years	9,237,952	1,733,492	9,054,663	1,733,492
After more than five years	1,639,002	-	1,639,002	-
Total	13,266,248	3,213,266	13,009,684	3,121,013

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

23. Reconciliation of members interests (GROUP)

	Members' capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total £	Other amounts £	Total members' interest £
Balance at 1 January 2017	20,086,939	-	8,337,660	28,424,599	171,287	28,595,886
Profit for the year available for discretionary division among members	-	-	10,951,011	10,951,011	-	10,951,011
Members' Interests after profit	20,086,939	-	19,288,671	39,375,610	171,287	39,546,897
Allocation of profits	-	-	(7,839,510)	(7,839,510)	7,839,510	-
Amounts introduced by members	83,750	-	-	83,750	-	83,750
Repayment of capital	(62,656)	-	-	(62,656)	-	(62,656)
Drawings	-	-	-	-	(10,906,851)	(10,906,851)
Balance at 31 December 2017	20,108,033	-	11,449,161	31,557,194	(2,896,054)	28,661,140
Balance at 1 January 2018	20,108,033	-	11,449,161	31,557,194	(2,896,054)	28,661,140
Profit for the year available for discretionary division among members	-	-	10,766,874	10,766,874	-	10,766,874
Members' Interests after profit	20,108,033	-	22,216,035	42,324,068	(2,896,054)	39,428,014
Allocation of profits	-	-	(11,285,580)	(11,285,580)	11,285,580	-
Capital introduced by members	5,276,000	-	-	5,276,000	-	5,276,000
Capital amounts repaid to members	(76,251)	-	-	(76,251)	-	(76,251)
Revaluation reserve	-	218,551	-	218,551	-	218,551
Drawings	-	-	-	-	(20,749,193)	(20,749,193)
Balance at 31 December 2018	25,307,782	218,551	10,930,455	36,456,788	(12,359,667)	24,097,121

Other reserves consist of partner current accounts in a deficit position. Upon audit sign off, the LLP profit for the 2018 financial year of £11,636,503 will be allocated to the Partners and will clear these positions.

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Notes to the Financial Statements (continued)

For the year ended 31 December 2018

24. Reconciliation of members interests (LLP)

	Members' capital (classified as equity) £	Revaluation reserve £	Other reserves £	Total £	Other amounts £	Total members' interest £
Balance at 1 January 2017	20,086,939	-	7,839,510	27,926,449	171,287	28,097,736
Profit for the year available for discretionary division among members	-	-	11,285,580	11,285,580	-	11,285,580
Members' interests after profit	20,086,939	-	19,125,090	39,212,029	171,287	39,383,316
Allocation of profits	-	-	(7,839,510)	(7,839,510)	7,839,510	-
Amounts introduced by members	83,750	-	-	83,750	-	83,750
Repayment of capital	(62,656)	-	-	(62,656)	-	(62,656)
Drawings	-	-	-	-	(10,906,850)	(10,906,850)
Balance at 31 December 2017	20,108,033	-	11,285,580	31,393,613	(2,896,053)	28,497,560
Balance at 1 January 2018	20,108,033	-	11,285,580	31,393,613	(2,896,053)	28,497,560
Profit for the year available for discretionary division among members	-	-	11,636,503	11,636,503	-	11,636,503
Members' interests after profit	20,108,033	-	22,922,083	43,030,116	(2,896,053)	40,134,063
Allocation of profits	-	-	(11,285,580)	(11,285,580)	11,285,580	-
Amounts introduced by members	-	-	-	-	-	-
Repayment of capital	5,276,000	-	-	5,276,000	-	5,276,000
Capital amounts repaid to members	(76,251)	-	-	(76,251)	-	(76,251)
Revaluation reserve	-	218,551	-	218,551	-	218,551
Drawings	-	-	-	-	(20,749,194)	(20,749,194)
Balance at 31 December 2018	25,307,782	218,551	11,636,503	37,162,836	(12,359,667)	24,803,169

LGT Vestra LLP

Notes to the Financial Statements (continued)

For the year ended 31 December 2018

25. Commitments under finance leases

	Minimum payments 31 December 2018 £	Present value of payments 31 December 2018 £	Minimum payments 31 December 2017 £	Present value of payments 31 December 2017 £
Not later than 1 year	-	-	88,975	88,975
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
Total minimum lease payments	-	-	88,975	88,975
Less amounts representing finance charges	-	-	(9,893)	9,893
Present value of minimum lease payments	-	-	79,082	79,082

26. Related party transactions

The LLP provides back office and support functions to its subsidiary LGT Vestra US Limited. During the period ended 31 December 2018, the total fees payable from its subsidiary LGT Vestra US Limited were £794,737 (2017: £311,112). At the year end, the LLP was owed £384,179 (2017: £176,743) from LGT Vestra US Limited.

The LLP provides back office and support functions to its subsidiary LGT Vestra Jersey Limited. During the period ended 31 December 2018, the total fees payable from its subsidiary LGT Vestra Jersey Limited were £917,988 (2017: £355,637). At the year end, the LLP was owed £538,197 (2017: £31,909) from LGT Vestra Jersey Limited.

LGT Group provides back office and support functions to its subsidiary LGT Vestra LLP. During the period ended 31 December 2018, the total fees payable from its subsidiary LGT Vestra LLP were £3,269,420 (2017: £1,677,411). At the year end, LGT Group was owed £270,215 (2017: £124,141) from LGT Vestra LLP.

LGT Group provides the use of their licence to its Subsidiaries LGT Vestra LLP (LLP), LGT Vestra (Jersey) Limited (JER) and LGT Vestra US Limited (VUS). During the year ended 31 December 2018, the total fees payable from its subsidiaries LLP, JER and VUS was £3,168,385 (2017: £2,580,219). At year end, the amount owing to LGT Group was £291,876 (2017: £Nil).

LGT Vestra LLP provides office facilities services to LGT UK Holdings Ltd, the immediate parent company. During the year ended 31 December 2018, the total fees payable to LGT Vestra LLP were £32,400. (2017: £Nil). At the year end, the amount owing to LGT Vestra LLP was £32,400 (2017: £Nil).

LGT UK Holdings Ltd provides internal audit and legal services to LGT Vestra LLP. During the year ended 31 December 2018, the total fees payable to LGT UK Holdings Ltd were £166,258. (2017: £Nil). At the year end, the amount owing to LGT Vestra LLP was £166,258 (2017: £Nil).

No amounts were paid to Key Management Personnel during the period (2017: £Nil) other than amounts paid to members in Note 23 Reconciliation of members' interests (Group) on page 36.

28. Controlling party

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

29. Capital management

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

30. Post reporting date events

There were no post reporting date events.