

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

**COMPANY INFORMATION**

**Directors**

T C Beal  
C G Gentle  
E K Griffin\*  
D Hyams\*  
S A Nicoll\*

\* Non-Executive Director

**Company secretary**

St. James's Place Corporate Secretary Limited

**Registered number**

00947644

**Registered office**

St. James's Place House  
1 Tetbury Road  
Cirencester  
Gloucestershire  
GL7 1FP

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Temple Quay  
Bristol  
BS2 0FR

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

**CONTENTS**

	Page(s)
<b>Strategic Report</b>	1 - 11
<b>Directors' Report</b>	12 - 13
<b>Directors' Responsibilities Statement</b>	14
<b>Independent Auditors' Report</b>	15 - 17
<b>Statement of Comprehensive Income</b>	18
<b>Statement of Financial Position</b>	19
<b>Statement of Changes in Equity</b>	20
<b>Notes to the Financial Statements</b>	21 - 29

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

#### INTRODUCTION

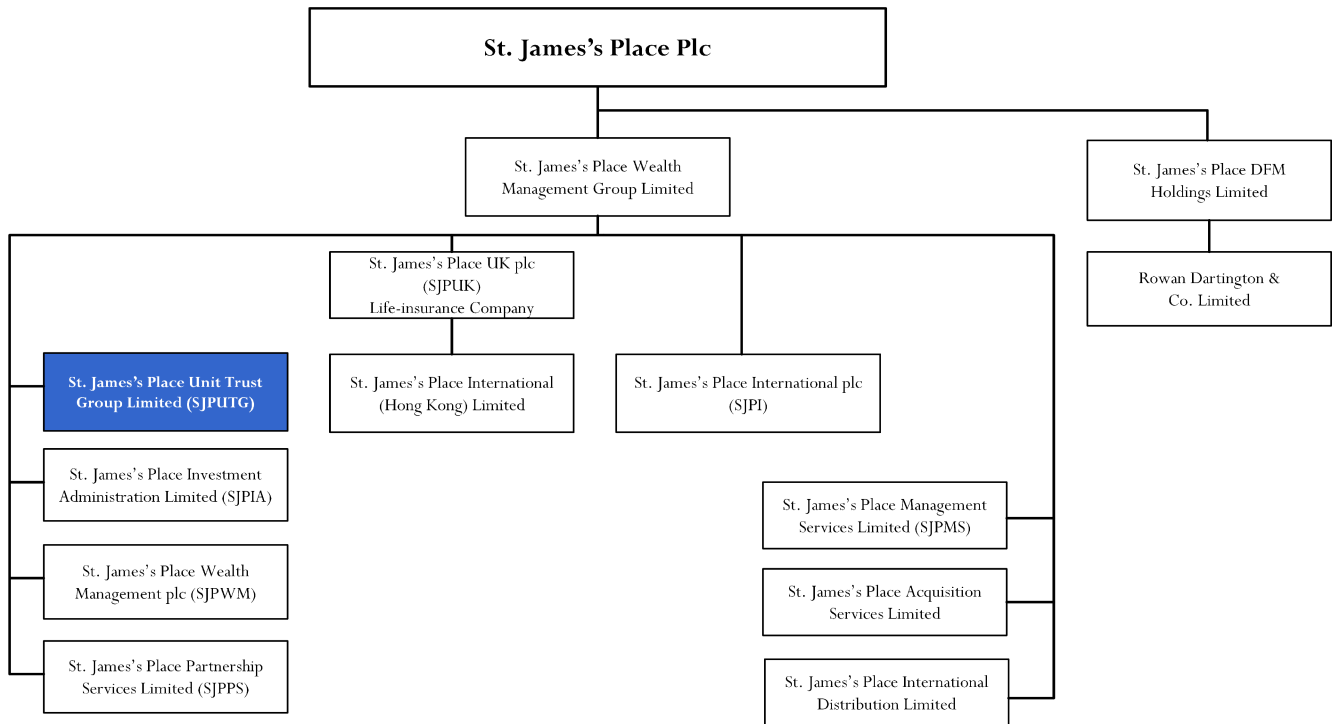
St. James's Place Unit Trust Group Limited (the "Company") is a wholly-owned subsidiary of St. James's Place Wealth Management Group Limited, which in turn is a wholly-owned subsidiary of St. James's Place plc, the ultimate parent company of the St. James's Place Group (the "Group" or "St. James's Place (SJP)").

The Company is authorised and regulated by the Financial Conduct Authority (FCA) to transact Unit Trusts in the United Kingdom.

The Company is a private company limited by shares which is incorporated and registered in England and Wales and domiciled in the United Kingdom.

#### Group Overview

St. James's Place is an award-winning wealth management group with a track record of strong growth. An extract of the group structure is shown below.



Face-to-face advice is core to the St. James's Place Group's (the "Group" or "St. James's Place") business model. This is delivered through the Group's dedicated distribution firm, St. James's Place Wealth Management plc, which manages the St. James's Place Partnership, and which is focused on building and supporting long-term relationships with our clients.

Financial advice is complemented and supported by our compelling investment proposition (the Investment Management Approach – "IMA"). The IMA offers a unique approach enabling investment management of underlying assets to be contracted out to a range of investment management firms, carefully selected by our independent committee of experts, from the global population of fund managers.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023****INTRODUCTION (CONTINUED)**

In order to be able to provide the appropriate investment solution for each client's particular circumstances and needs, the IMA is made available through a variety of UK investment product solutions. The principal products manufactured by Group companies, and which are, in general, made available through the St. James's Place Partnership, are:

<b>Company</b>	<b>Product</b>
St. James's Place UK plc	UK-based unit-linked savings Unit-linked pension savings Unit-linked drawdown
St. James's Place Investment Administration Limited	Unit trusts Individual Savings Accounts ("ISAs")
St. James's Place International plc	Offshore unit-linked savings

In order to allow the IMA to be delivered consistently through all product wrappers, the majority of the unit-linked insurance investment ranges are facilitated through cross-investment into a core range of St. James's Place unit trusts (managed by St. James's Place Unit Trust Group Limited), which are the same unit trusts made available directly and through an ISA by St. James's Place Investment Administration Limited.

The Company collects an Annual Management Charge ("AMC") from the range of unit trusts that it manages, from which it pays a share to St. James's Place Investment Administration Limited as remuneration for client administration services provided. In addition, the Company pays an Ongoing Advice Charge ("OAC") to St. James's Place Wealth Management plc ("SJPWM") when the client has requested ongoing advice services.

St. James's Place Management Services Limited facilitates employment for the Group and management of expenses, while St. James's Place Partnership Services Limited acts as treasury company for the Group, securing funding and managing lending by the Group.

Further information about St. James's Place, the St. James's Place Partnership, the St James's Place approach to fund management and the IMA, and the full range of wealth management products, is included within the Strategic Report of the St. James's Place plc Annual Report and Accounts 2023.

**BUSINESS REVIEW**

In its capacity as a unit trust manager, the Company manages 45 different unit trusts (2022: 45), of which 34 (2022: 35) are classified under the Financial Conduct Authority's Collective Investment Scheme Sourcebook as UCITS funds and 11 (2022: 10) as NURS funds.

The Company's principal source of income, out of which overheads of the business are met, is an AMC which is dependent on the value of funds under management (FUM). Growth in FUM is therefore a strong positive indicator of growth in profits. As a result of strong investment return together with net inflows the FUM invested in the unit trusts that the Company manages increased from £137.8bn at 31 December 2022 to £158.2bn at 31 December 2023. The value of FUM which excludes cross-investment within the Group, on which the Company earns an AMC, increased from £37.8bn at 31 December 2022 to £41.3bn at 31 December 2023, an increase of 9.3%. The Company's turnover for the year was £391.9m (2022: £389.0), a 0.7% increase year on year. This increase derives from the growth in FUM, this has been dampened by dealing losses which increased from £8.2m to £16.9m reflecting higher levels of trading activity in the unit trusts during the year.

The profit for the financial year amounted to £139.9m (2022: £162.9m). A decrease of 14.1% driven by increased expenses and a higher effective tax rate. The Company's net asset position remains strong at £59.7m (2022: £67.8m).

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### BUSINESS REVIEW (CONTINUED)

##### Consumer Duty

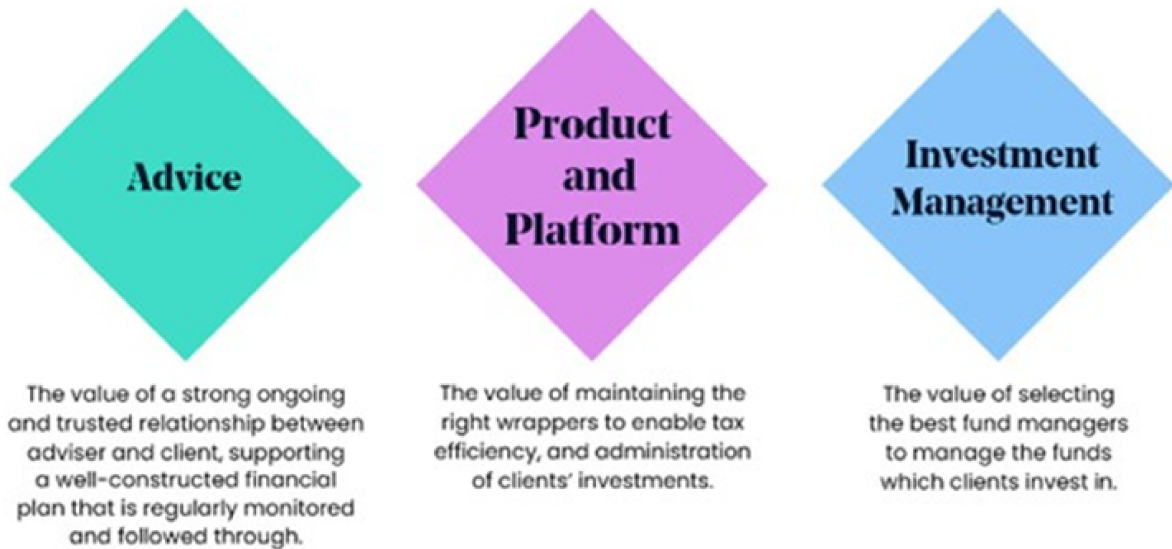
The FCA's new Consumer Duty regulation came into effect at the end of July 2023, setting higher and clearer standards of consumer protection across financial services and requiring firms to act to deliver good outcomes for customers.

We have engaged proactively with this important regulatory initiative. While we consistently aim to achieve good outcomes for clients, Consumer Duty has given us the opportunity to strengthen this commitment even further.

We've looked at every part of our business through the lens of clients - the people who trust us to help create the future they want for themselves and for their families – and we've examined how we provide evidence that the processes and frameworks we have in place deliver good client outcomes.

##### FUTURE DEVELOPMENTS

During the year, the Group announced that we would be simplifying our charging structure from the second half of 2025, following a programme of investment in systems required to support the new charge structure. Charges will be reduced for the majority of existing clients, while we will also disaggregate our charges into separate components for advice, product and platform administration and investment management, as well as rebalancing charges so that they better reflect the value that clients see across each element of our proposition. These changes will address the evolution over time of an external environment that is increasingly seeking simple comparability of all services on a component-by-component basis.



The Group is the UK's leading provider of advice-led wealth management, providing an integrated end-to-end client offering, with each subsidiary company contributing to a component to this overall service.

The Company provides the investment management component of the Group's service. Under the revised charging structure, a more consistent approach to fund charges will be introduced that reflects the value each fund provides.

## **ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **CURRENT RISK ENVIRONMENT**

There was a complex and rapidly evolving macroeconomic risk picture through 2022-2023, which was exacerbated in the UK by political turmoil. We expect to see challenges at a national level in 2024 and beyond as people and businesses continue to adjust to a higher interest rate environment and the higher cost of living. This is despite the fact that towards the end of 2023, inflation appeared to be on a trajectory to return towards the Bank of England's target and interest rates were expected to reduce over 2024. We are also mindful of potential longer-term risks relating to changes in tax policy which could affect the amount our clients have available to save and how much tax they pay on income (particularly with tax thresholds frozen) and investments. However, with 2024, being an election year, we do not expect taxes to rise further in the very short term. We also recognise an opportunity for our advisers, through ongoing financial advice, to support clients in managing their financial affairs in a volatile market; to combat the effects of inflation on the standard of living they are aiming for in retirement; and to remain tax-efficient in their savings as the tax landscape changes. We are also mindful of the potential for global geopolitical tensions to escalate, which could have relevance to the Group through impacts.

Overall we remain confident in the Company's ability to withstand further challenges that may or may not emerge from the risk environment described in more detail below. Timely and targeted risk-based information has been provided to the St. James's Place Unit Trust Group Board ("the Board") to continue to support decision making and help the understanding of key issues.

#### **Macroeconomic:**

The macroeconomic risks associated with high inflation, the unwinding of 15 years of low interest rates and the threat of increasing geopolitical tension are not to be underestimated.

However, the Group's business model has demonstrated resilience and continues to be well positioned to survive extreme conditions and continue to invest for long-term growth.

Some examples of the key challenges for the Company presented through the current macroeconomic conditions include falling asset prices which reduces income and higher expense inflation which makes the strategic objective of limiting growth in controllable expenses more difficult to achieve.

Further information on the Group's approach to macroeconomic risks is set out in the St. James's Place plc Annual Report and Accounts 2023.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023****CURRENT RISK ENVIRONMENT (CONTINUED)****Climate change:**

2023 was the warmest year on record and the global mean temperature increase has now risen to 1.3°C above the preindustrial average. Research shows that progress toward 1.5°C-aligned targets isn't happening at the pace and scale necessary, and that urgent action is needed to protect the world's most vulnerable ecosystems and communities. At SJP, we recognise that we have both the responsibility to take appropriate action and the opportunity to use our voice to influence and collaborate with our stakeholders to pursue long-term positive change. As an example of how we are putting this into practice the Group has made four key climate commitments; we'll be climate positive in our operations by 2025, we'll support our Partnership to become net zero by 2035, our supply chain will be net zero by 2035 and we'll be net zero in our investments by 2050.

At SJP, our investment proposition is by far the largest contributor to our carbon emissions. Therefore, it is crucial that we reduce the carbon footprint of our funds. As we work towards our longer term net zero target by 2050, we set interim targets to track our progress and hold ourselves accountable. In 2020, we set a target of reducing carbon emissions across our investments by 25% by 2025 (compared to a baseline measured at the end of 2019). We are pleased to say that as at the end of 2023 we have well exceeded this target and have reduced our carbon emissions by over 40% already. (This is inclusive of our equity and publicly listed corporate debt. Our real estate and Rowan Dartington assets are excluded).

Over 2023 we continued to embed environmental, social and governance (ESG) risks and opportunities into our investment process. Climate change is a key environmental concern globally and we expect our fund managers to consider how the companies they invest in are positioned for a just transition to a lower carbon economy. Over 2023, we identified our top 10 carbon emitters across our investments. Engaging with these companies on their climate transition planning will be a key priority going forward.

Over 2024, we will be setting our 2030 carbon reduction targets and continuing our journey to net zero.

**Our approach to Task Force on Climate-related Financial Disclosures ('TCFD') reporting**

TCFD seeks to improve and increase the reporting of climate-related financial information by financial institutions. To comply with the FCA rules on climate-related disclosures in the Environmental, Social and Governance ("ESG") handbook - ESG 2.2.7R, the Company is required to prepare a TCFD report annually.

We have chosen to meet this obligation through the inclusion of the following statement within this Strategic Report.

St. James's Place is a business made up of multiple individual entities. As one of those entities, the Company has aligned its strategy and operations to that of the St James's Place Group. The Group is also required to prepare a TCFD report, which covers all of the money and assets that it is responsible for, and so, reflecting the significant overlap we have chosen to prepare a single consolidated TCFD report.

The disclosures in that report, including any third party or group disclosures cross-referenced in it, comply with the requirements stated in the FCA's ESG sourcebook. Where there are any differences in approach across the companies impacted these are highlighted in that report.

The Group TCFD report is consistent with all the TCFD recommendations and recommended disclosures and can be found on the Group's website (<https://www.sjp.co.uk/TCFD2023>).



**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023****CURRENT RISK ENVIRONMENT (CONTINUED)****Regulatory change:**

Regulatory change is a constant, and amongst the significant regulatory change the FCA continues to reinforce the need for firms to embed the new Consumer Duty regulation. We are a client focused business and have engaged proactively with this important regulatory initiative. Whilst we believe that we have consistently aimed to achieve good outcomes for our clients, we have reconsidered all our client focused activities and challenged on how we develop these activities to meet current and ever-increasing expectations. The business is recognising embedding activity to monitor and assess clients outcomes and implementing Consumer Duty requirements for closed books by July 2024. A relatively very small proportion of the Group's liabilities are in closed book policies, however we recognise the importance of these policies to the clients who have them.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Whilst the risk landscape evolved over the course of the year, the inherent principal risk areas that the business faces remain consistent with the previous year. An example of this is that security and resilience remains a principal risk area and we recognise that the cyber environment continues to develop, particularly with State-sponsored threats.

The business priority areas which our principal risks impact are set out in the tables in the following pages, together with the high-level controls and processes through which we aim to mitigate them. Reputational damage and impacts to shareholders and other stakeholders are a likely consequence of any of our principal risks materialising.

The principal risks and uncertainties facing the Company are set out below:

<b>Risk</b>	<b>Risk Description</b>	<b>Key Risks</b>	<b>Example Controls/Mitigation</b>
Client proposition	Our product proposition fails to meet the needs, objectives and expectations of our clients. This includes poor relative investment performance and poor product design	<ul style="list-style-type: none"> <li>Investments provide poor returns relative to their benchmarks and/or do not deliver expected client outcomes</li> <li>Range of solutions does not align with the product and service requirements of our current and potential future clients</li> <li>Failure to meet client expectations of a sustainable business, not least in respect of climate change and responsible investing</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of asset allocations across portfolios to consider whether they are performing as expected in working towards long-term objectives</li> <li>Monitoring funds against their objectives mindful of an appropriate level of investment risk</li> <li>Ongoing assessment of value delivered by funds and portfolios versus their objectives</li> <li>Where necessary, managers are changed in the most effective way possible</li> <li>Continuous review and development of the range of services offered to clients</li> <li>Engagement with fund managers around principles of responsible investment</li> </ul>
Conduct	We fail to provide quality service to clients	<ul style="list-style-type: none"> <li>Failure to evidence the provision of good-quality service and advice</li> </ul>	<ul style="list-style-type: none"> <li>Technical support helplines for advisers</li> <li>Timely and clear responses to client complaints</li> <li>Evidence of ongoing servicing of clients and charge switch-off process where ongoing advice has not been provided</li> </ul>
Financial	We fail to effectively manage the business finances	<ul style="list-style-type: none"> <li>Investment/Market risk</li> <li>Credit risk</li> <li>Liquidity risk</li> <li>Insurance risk</li> <li>Expense risk</li> <li>Solvency risk</li> </ul>	<ul style="list-style-type: none"> <li>Excess assets generally invested in high-quality, high-liquidity cash and cash equivalents</li> <li>Ongoing monitoring of all risk exposures and experience analysis</li> <li>Setting and monitoring budgets</li> <li>Implementing new systems to enable future cost reductions</li> <li>Monitoring and management of solvency to minimise Group dependency</li> </ul>

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Group support	We fail to receive services supplied from a fellow Group Company	<ul style="list-style-type: none"> <li>• Failure of Investment Management Approach (IMA)</li> <li>• Failure of provision of human resources</li> <li>• Failure to protect the St. James's Place brand</li> <li>• Loss of distinctive culture</li> </ul>	<ul style="list-style-type: none"> <li>• Contractual service arrangements in place for key services provided by fellow Group subsidiaries</li> <li>• Key Executive management committees include representation of interests for the relevant Group subsidiaries</li> <li>• Specific matters reserved to each entity board</li> <li>• The controls around the Group's risks can be found in the St. James's Place plc Annual Report and Accounts</li> </ul>
Regulatory	We fail to meet current, changing or new regulatory and legislative expectations	<ul style="list-style-type: none"> <li>• Failure to comply with existing regulations</li> <li>• Failure to comply with changing regulation or respond to changes in regulatory expectations</li> <li>• Inadequate internal controls</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance functions provide guidance and carry out extensive assurance work</li> <li>• Strict controls are maintained in highly regulated areas</li> <li>• Maintenance of appropriate solvency capital buffers, and continuous monitoring of solvency experience</li> <li>• Clear accountabilities and understanding of responsibilities across the business</li> <li>• Fostering of positive regulatory relationships</li> </ul>
Security and resilience	We fail to adequately secure our physical assets, systems and/or sensitive information, or to deliver critical business services to our clients	<ul style="list-style-type: none"> <li>• Internal or external fraud</li> <li>• Core system failure</li> <li>• Corporate, Partnership, or third-party, information security and cyber risks</li> <li>• Disruption in key business services to our clients</li> </ul>	<ul style="list-style-type: none"> <li>• Business continuity planning for SJP and its key suppliers</li> <li>• Focus on building operational resilience</li> <li>• Mandatory 'Cyber Essentials Plus' accreditation for Partner practices or use of an SJP 'Device as a Service' solution</li> <li>• Clear cyber strategy and data protection roadmap for continuous development</li> <li>• Data leakage detection technology and incident reporting systems</li> <li>• Identification, communication, and response planning for the event of cyber crime</li> <li>• Executive Board level cyber scenario work to test strategic response</li> <li>• Internal awareness programme</li> <li>• Identification, assessment and testing of important and critical business services</li> </ul>
Strategy, competition and brand	Challenge from competitors and impact of reputational damage	<ul style="list-style-type: none"> <li>• Increased competitive pressure from traditional and disruptive (non-traditional) competitors</li> <li>• Cost and charges pressure</li> <li>• Negative media coverage</li> <li>• Failure to meet our commitments to net zero</li> </ul>	<ul style="list-style-type: none"> <li>• Robust change governance and change management practices including testing</li> <li>• Clear demonstration of value delivered to clients through advice, service and products</li> <li>• Investment in improving positive brand recognition</li> <li>• Ongoing development of client and Partner propositions</li> <li>• Proactive engagement with external agencies including media, industry groups, shareholders and regulators</li> <li>• Clear interim targets to be tracked towards meeting our long-term net zero targets</li> </ul>
Third parties	Third-party outsourcers' activities impact our performance and risk management	<ul style="list-style-type: none"> <li>• Operational failures by material outsourcers</li> <li>• Failure of critical service.</li> <li>• Significant areas include: <ul style="list-style-type: none"> <li>◦ investment administration</li> <li>◦ fund management</li> <li>◦ custody</li> <li>◦ policy administration</li> <li>◦ cloud services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Oversight regime in place to identify prudent steps to reduce risk of operational failures by material third-party providers</li> <li>• Ongoing monitoring, including assessment of operational resilience</li> <li>• Due diligence of key suppliers</li> <li>• Oversight of service levels of our third-party administration provider</li> </ul>

## **ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **KEY PERFORMANCE INDICATORS**

The operations of the Company are managed as part of the wider Group. The management of operations by the Executive is overseen on a Group-wide basis by the Directors of St. James's Place plc and in relation to the Company's specific operations by the Directors. The key performance indicators used to monitor the development, performance and the position of Group, which includes the Company, are set out in the St. James's Place plc Annual Report and Accounts 2023, copies of which can be obtained from the address shown in the ultimate controlling party note at the end of these Financial Statements. These cover both financial and non-financial elements. The key performance indicators which are relevant to the Company are set out below, with the data provided for the Company only:

The net fee income earned from funds under management increased by 2.9% to £408.7m from £397.1m.

Funds under management as at 31 December 2023 were £158.2bn (2022: £137.8bn).

## **ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **SECTION 172(1) STATEMENT**

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. Section 172 requires a Director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the Company's employees;
- need to foster the Company's business relationships with suppliers, customers and others;
- impact of the Company's operations on the community and environment;
- desirability of the Company maintaining a reputation for high standards of business conduct, and
- need to act fairly as between members of the Company.

In discharging our section 172 duties we have regard to the factors set out above. We also have regard to other factors which we consider relevant to the decision being made. In particular, we note the high degree of regulation applicable to our activities. Those factors, for example, include the interests and views of our key stakeholders. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders. By considering the Company's purpose, vision and values together with its strategic priorities and regulatory obligations and having a process in place for decision-making, we do, however, aim to make sure that our decisions are consistent and predictable.

The Company's stakeholders – clients, shareholders, Partners, employees, and society (represented by a number of groups including government, regulators, suppliers and the wider community), are entirely aligned with the key stakeholders of the wider Group, although some of those are more prominent for us as a subsidiary than others. The Group as a whole is focused on ensuring value is generated and preserved over the long-term for all of its stakeholders and the core of our strategy is the long-term relationship St. James's Place and the Partnership have with our clients. This is what ultimately drives long-term value for shareholders and other stakeholders and could not be achieved if we did not seek to maintain a reputation for high standards of business conduct.

Authority for day-to-day management of this Company and the Group's other wholly-owned subsidiaries is delegated to executives. The boards of each company then engage management in setting, approving and overseeing execution of the business strategy and related policies, where relevant to that company. Throughout the year we, as the Board, review matters such as financial and operational performance, key risks, governance and regulatory compliance and the impact of decisions and policies affecting our key stakeholders.

The views of and the impact of the Company's activities on the key stakeholders are an important consideration for the Directors when making relevant decisions. Our governance framework is designed to provide opportunities for the Board to consider and discuss reports and papers that require decision making, which are sent in advance of each periodic Board meeting. The information contained therein, together with presentations to the Board, provide the insight necessary to understand the interests and concerns of key stakeholders and other relevant factors when making decisions. An example from 2023 that illustrates how this has contributed to our compliance with our section 172 duty to promote the success of the company is set out on the following page.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023****SECTION 172(1) STATEMENT (CONTINUED)**

<b>Stakeholders</b>	<b>Consideration</b>
Unitholders, clients, Partners and regulators	<p><b>Promoting a culture of client-centric continuous improvement</b></p> <p>During 2023 the Board oversaw the continued development of our approach to the Assessment of Value ("AoV") for the benefit of clients through close monitoring, regular review and challenging management in structure and content. Key focus areas for the Board during the production of the 2023 AoV included the adoption of a balanced scorecard approach as a means to assess the value for money of the fund range taking into account the results of the seven areas of assessment, which included our charges, fund performance and quality of service and improving the language used within the 2023 AoV report following client feedback.</p> <p>St. James's Place plc, the Company's ultimate parent, announced on 17 October 2023 that it had completed an internal evaluation of its charging structures. As a result, it concluded that it should change its charges, with such changes becoming fully effective during the second half of 2025. The changes will ensure the Group continues to have a sustainable and competitive charging platform for the long-term, offering simplicity, comparability, and a continued focus on value for clients. The Company confirmed that it had no objection to approving and adopting the charging structure, agreeing that it would be beneficial to clients as unit holders as it improved the client proposition.</p> <p>Presentations were also given to the Board by key third-party providers in order to seek comfort that outsourced services were being monitored appropriately and in line with risk appetite and to address any operational issues which had arisen in the period.</p>

While the Board has particular stakeholder groups with which it engages directly in order to fulfil its responsibilities, it recognises that the size and spread of both our stakeholders and those of the Group mean that some stakeholder engagement best takes place at an operational or Group level. We find that as well as being a more efficient and effective approach, this also helps us achieve a greater positive impact on environmental, social and other issues than by working alone as an individual company.

For details on the engagement with the Company's stakeholders that helps the Directors to understand the issues to which they must have regard, please see the section 172(1) statement in the St. James's Place plc Annual Report and Accounts 2023.

**RESPONSIBLE BUSINESS**

At SJP, we are committed to being a responsible business. To us, this means taking responsibility for our actions and striving to have a positive impact on our people, communities, and our planet. This is core to delivering on our promise of helping our clients create the futures they want. Further information on the Group's approach to responsible business is set out in the St. James's Place plc Annual Report and Accounts 2023.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**GOING CONCERN**

The going concern basis has been adopted in preparing these Financial Statements. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above on pages 2 to 8.

The Board has considered the challenging macroeconomics and geopolitical conditions which prevailed during 2023, along with the Company's financial results. Given the uncertainty, the Board have reviewed and take comfort from the Group's assessment of going concern as outlined in the St. James's Place plc Annual Report and Accounts 2023.

In addition, the Board has reviewed the performance of our key outsource providers, monitored through our ongoing oversight which supports its view that the business will continue to remain operationally resilient.

As a result of its review, the Board believes that the Company will continue to operate for a period of at least 12 months from the date of approval of the Financial Statements.

This report was approved by the Board of Directors on 27 February 2024 and signed on its behalf on the same date by:



**C G Gentle**  
Director

## **ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

The Directors present their report and the financial statements for the year ended 31 December 2023.

#### **PRINCIPAL ACTIVITY**

The Company acts as a unit trust manager.

#### **RESULTS AND DIVIDENDS**

The profit for the financial year amounted to £139.9m (2022: £162.9m).

Interim dividends totalling £148.0m (2022: £167.0m) were paid during the year. The Directors do not recommend the payment of a final dividend (2022: £nil).

#### **DIRECTORS**

The Directors who served during the year and up to the date of the signing of the financial statements were:

T C Beal  
C G Gentle  
E K Griffin  
D Hyams  
C Morrison (resigned 6 December 2023)  
S A Nicoll (appointed 14 December 2023)

#### **EMPLOYEES**

The Company has no employees (2022: nil).

#### **DIRECTORS' INDEMNITY AND INSURANCE**

St. James's Place plc ("SJP"), the ultimate parent company, has taken out insurance covering Directors and officers against liabilities they may incur in their capacity as Directors or officers of SJP and its subsidiaries. SJP has granted indemnities to all of its Directors in their capacities as Directors of SJPUTG on terms consistent with the applicable statutory provisions. This is a qualifying third-party indemnity provision for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the course of the financial year ended 31 December 2023, and remain in force at the date of this report.

#### **MATTERS COVERED IN THE STRATEGIC REPORT**

Future developments, financial risk management and going concern are all referred to in the Strategic Report set out on pages 1 to 11 of the financial statements in accordance with Section 414c(11) of the Companies Act 2006.

A summary of how the Directors' have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year is set out in the Strategic Report within the section 172 (1) statement on pages 9 to 10.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Directors at the date of approval of this report, confirms that:

- so far as each Director is aware, there is no relevant audit information of which the auditors are unaware, and
- each Director has taken all steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of such information.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the Board of Directors on 27 February 2024 and signed on its behalf on the same date by:



**C G Gentle**  
Director



## **ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

## Report on the audit of the financial statements

---

### Opinion

In our opinion, St. James's Place Unit Trust Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2023; the Statement of Comprehensive Income; the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

---

### Basis for opinion

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

#### *Independence*

We remained independent of the 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

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

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

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

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

---

### 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 Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED (CONTINUED)

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2023 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 Strategic report and 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' Responsibilities Statement, 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.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to reduce expenses or increase revenue. Audit procedures performed by the engagement team included:

- Enquiries of St. James's Place Group functions including compliance, risk, internal audit and legal, for any known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading key correspondence with the Financial Conduct Authority in relation to compliance with laws and regulations;
- Reviewing relevant meeting minutes including those of the Board of Directors;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

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

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

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED (CONTINUED)

#### *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 obtained 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.

Gary Shaw (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
27 February 2024

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Note</b>	<b>2023 £000</b>	2022 £000
Turnover	3	<b>391,850</b>	388,993
Cost of sales	5	<b>(12,068)</b>	(11,483)
<b>GROSS PROFIT</b>		<b>379,782</b>	377,510
Administrative expenses	6	<b>(201,973)</b>	(177,474)
<b>OPERATING PROFIT</b>		<b>177,809</b>	200,036
Interest receivable and similar income		<b>4,641</b>	995
<b>PROFIT BEFORE TAXATION</b>		<b>182,450</b>	201,031
Income tax expense	8	<b>(42,543)</b>	(38,109)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>139,907</b>	162,922

The results relate to continuing operations.

There were no recognised gains or losses for 2023 or 2022 other than those included in the Statement of Comprehensive Income.

The Notes and information on pages 21 to 29 form part of these Financial Statements.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED**  
**REGISTERED NUMBER: 00947644**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £000	2022 £000
<b>CURRENT ASSETS</b>			
DEBTORS: Amounts falling due within one year	10	713,889	311,030
Other investments	11	76,553	67,275
Cash and cash equivalents		17,087	11,388
		<u>807,529</u>	<u>389,693</u>
CREDITORS: Amounts falling due within one year	12	(747,791)	(321,862)
<b>NET CURRENT ASSETS</b>		<b>59,738</b>	<b>67,831</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>59,738</b>	<b>67,831</b>
<b>NET ASSETS</b>		<b>59,738</b>	<b>67,831</b>
<b>EQUITY</b>			
Share capital	13	2,000	2,000
Retained earnings		57,738	65,831
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>59,738</b>	<b>67,831</b>

The Financial Statements on pages 18 to 29 were approved by the Board of Directors on 27 February 2024 and signed on its behalf on the same date by:



**C G Gentle**  
 Director

The Notes and information on pages 21 to 29 form part of these Financial Statements.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2023	<b>2,000</b>	<b>65,831</b>	<b>67,831</b>
Profit for the financial year	-	<b>139,907</b>	<b>139,907</b>
Dividends: Equity capital	-	<b>(148,000)</b>	<b>(148,000)</b>
<b>At 31 December 2023</b>	<b>2,000</b>	<b>57,738</b>	<b>59,738</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2022	<b>2,000</b>	<b>69,909</b>	<b>71,909</b>
Profit for the financial year	-	<b>162,922</b>	<b>162,922</b>
Dividends: Equity capital	-	<b>(167,000)</b>	<b>(167,000)</b>
<b>At 31 December 2022</b>	<b>2,000</b>	<b>65,831</b>	<b>67,831</b>

The Notes and information on pages 21 to 29 form part of these Financial Statements.

## ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. GENERAL INFORMATION

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom.

The address of the Company's registered office is St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire, GL7 1FP.

#### 2. ACCOUNTING POLICIES

The principal accounting policies of the Company, which have been applied consistently throughout the year, are set out below.

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, except for assets classified as fair value through profit and loss, on a going concern basis and in accordance with Financial Reporting Standard 102 (FRS 102), 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland', and the Companies Act 2006.

There were no critical accounting estimates or significant accounting judgements made in applying the Company's accounting policies.

The Board's review on going concern is set out on page 9 of the Strategic Report. As a result of this review, the Board believes that the Company will continue to operate, with neither the intention or the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations for a period of at least 12 months from the date of approval of the Entity Financial Statements.

##### 2.2 Adoption of new and amended Accounting Standards

There are no new or amended accounting standards, that are effective for the year ended 31 December 2023, that have a material impact on the Company's financial statements.

##### 2.3 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows and paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), 12.29A and 12.30 provided disclosures equivalent to those required by this FRS are included in the consolidated financial statements of the Group in which the entity is consolidated; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

##### 2.4 Turnover

Turnover represents annual fees receivable by the Company from the management of the Company's unit trusts, less the net dealing loss incurred at the point of sale of units in the Company's range of unit trusts.

Management fees are calculated daily based on the level of funds under management on each working day and are recognised on an accruals basis.



**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****2. ACCOUNTING POLICIES (CONTINUED)****2.5 Cost of Sales**

Cost of sales represents pre-RDR fund related commission charged to the Statement of Comprehensive Income on an accruals basis.

**2.6 Administrative expenses**

Administrative expenses represent costs incurred in the course of fulfilling the ordinary activities of the Company, which include regulatory fees and other third-party expenses, which are charged to the Statement of Comprehensive Income on an accruals basis. This also includes a recharge from a fellow Group company for services provided to the Group as a whole, apportioned to the Company using internal metrics.

**2.7 Income tax**

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

**2.8 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

**2.9 Other Investments**

Other Investments represent Investment in Collective Investment Schemes which refer to holdings of high-quality, highly liquid money market funds and unit trust holdings.

**2.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours, excluding money market fund investments, which are presented within Other Investments as short-term deposits.

**2.11 Debtors**

Debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.12 Creditors**

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.13 Prepayments and accrued income**

Prepayments are recognised where services are paid for in advance of being received. The prepayment reduces, and an expense is recognised in the Statement of Comprehensive Income, as the service is received. Accrued income is recognised as services are rendered.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****2. ACCOUNTING POLICIES (CONTINUED)****2.14 Accruals and deferred income**

Accruals are recognised as services are provided and an expense recognised in the Statement of Comprehensive Income.

The initial margin on financial instruments is deferred and recognised on a straight-line basis over the expected lifetime of the financial instrument, which is six to 14 years.

**2.15 Presentation and functional currency**

The presentation and functional currency is pounds Sterling.

**2.16 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument, in accordance with IFRS 9. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

**Financial assets**

The Company classifies its financial assets at either fair value through profit or loss, or as loans and debtors. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

**At fair value through profit and loss**

Financial assets at fair value through profit and loss are financial assets held for trading. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current investments.

**Loans and debtors**

Loans and debtors are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade debtors), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms debtor, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired debtor. For trade debtors, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

**Financial liabilities**

The Company classifies all of its financial liabilities as liabilities at amortised cost.

**At amortised cost**

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****3. TURNOVER**

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

	<b>2023</b>	2022
	<b>£000</b>	£000
Net management fee income	<b>408,745</b>	397,144
Retained initial charge and dealing loss	<b>(16,895)</b>	(8,151)
	<b>391,850</b>	388,993

All turnover arose within the United Kingdom.

**4. AUDITORS' REMUNERATION**

The below statutory audit fee was paid on behalf of the Company by a fellow Group company, St. James's Place Management Services Limited and subsequently recharged to the Company:

	<b>2023</b>	2022
	<b>£000</b>	£000
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	<b>57</b>	55

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the St. James's Place plc Annual Report and Accounts 2023.

**5. COST OF SALES**

	<b>2023</b>	2022
	<b>£000</b>	£000
Commission expense	<b>12,068</b>	11,483

**6. ADMINISTRATIVE EXPENSES**

	<b>2023</b>	2022
	<b>£000</b>	£000
Intra-Group service charge	<b>107,518</b>	102,970
Group recharge expenses	<b>49,235</b>	39,109
Other administrative expenses	<b>45,220</b>	35,395
	<b>201,973</b>	177,474

Included in Other administrative expenses is correction of historic AMC rebate to fellow Group companies of £12.1m (2022: £nil).

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****7. DIRECTORS' REMUNERATION**

	<b>2023</b>	2022
	<b>£000</b>	£000
Aggregate remuneration	<b>745</b>	1,093
Amounts receivable under long-term incentive schemes	<b>499</b>	1,331
Pension contributions	<b>71</b>	75
	<b>1,315</b>	2,499

The aggregate emoluments of the highest paid Director in the year were £794,737 (2022: £1,610,613), and cash supplements in lieu of their defined contribution pension scheme totalled £48,116 (2022: £26,870). The number of options the highest paid Director exercised over the shares in St. James's Place plc was 73,483 (2022: nil), and the number of shares receivable by them in respect of qualifying service was 1,947 (2022: 125,000).

At 31 December 2023 the number of Directors to whom retirement benefits are accruing, including those receiving cash supplements in lieu of their defined contribution pension scheme, is two (2022: five), including the highest paid Director. Retirement benefits are accrued in money purchase schemes for two (2022: five) of those Directors at the year end.

The number of Directors who exercised options over the shares in St. James's Place plc during the year while acting as Directors of this Company is nil (2022: one). The number of Directors in respect of whose qualifying services shares were receivable under long-term incentive schemes is two (2022: four).

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****8. INCOME TAX EXPENSE**

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Current tax</b>		
UK corporation tax on profit for the year	<b>42,543</b>	38,109
<b>Total current tax</b>	<b>42,543</b>	38,109

**Factors affecting the tax charge for the year**

The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are explained below:

	<b>2023</b>	2022
	<b>£000</b>	£000
Profit before taxation	<b>182,450</b>	201,031
Profit before taxation multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	<b>42,876</b>	38,196
<b>Effects of:</b>		
Dividends from UK companies	<b>(84)</b>	(19)
Transfer pricing adjustments	<b>(249)</b>	(68)
<b>Total tax charge for the year</b>	<b>42,543</b>	38,109

**9. DIVIDENDS**

	<b>2023</b>	2022
	<b>£000</b>	£000
Interim dividends paid on Ordinary shares	<b>148,000</b>	167,000

The total interim dividends for the financial year is equivalent to £74.00 per share (2022: £83.50 per share).

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****10. DEBTORS: Amounts falling due within one year**

	<b>2023</b>	2022
	<b>£000</b>	£000
Trade debtors	<b>666,125</b>	262,905
Amounts owed by Group undertakings	<b>231</b>	1,117
Other debtors	<b>1,330</b>	1,854
Prepayments and accrued income	<b>46,203</b>	45,154
	<b>713,889</b>	311,030

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

**11. OTHER INVESTMENTS**

	<b>2023</b>	2022
	<b>£000</b>	£000
Investment in Collective Investment Schemes	<b>76,553</b>	67,275

Investment in Collective Investment Schemes refers to holdings of high-quality, highly liquid money market funds, as well as units held within St. James's Place unit trusts.

The value of the holdings in the money market funds at year end was £67,000,000 (2022: £57,250,000).

The value of the units held within St. James's Place unit trusts at year end was £9,553,424 (2022: £10,025,322).

**12. CREDITORS: Amounts falling due within one year**

	<b>2023</b>	2022
	<b>£000</b>	£000
Trade creditors	<b>666,231</b>	264,001
Amounts owed to Group undertakings	<b>27,905</b>	17,597
Corporation tax	<b>38,616</b>	22,809
Other creditors	<b>6,590</b>	7,115
Accruals and deferred income	<b>8,449</b>	10,340
	<b>747,791</b>	321,862

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

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****13. SHARE CAPITAL**

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
2,000,000 (2022: 2,000,000) ordinary shares of £1.00 each	<b>2,000</b>	2,000
	<u>2,000</u>	<u>2,000</u>

**14. RELATED PARTY BALANCES**

The Company's related parties include key management personnel, the unit trusts that it manages and companies within the St. James's Place Group.

Transactions with key management personnel are exempt from disclosure.

**The unit trusts**

During the year, the Company entered into the following transactions with the unit trusts that it manages:

	<b>2023</b>	2022
	<b>£000</b>	£000
Net annual management fees	<b>408,745</b>	397,144
Creation of units	<b>45,337,200</b>	20,986,000
Liquidation of units	<b>22,314,632</b>	16,750,387
	<u>408,745</u>	<u>397,144</u>

At the year-end the Company held a stock of £9,553,424 (2022: £10,025,322) of units in the unit trusts that it manages.

The total value of St. James's Place funds under management held by Directors and their connected parties as at the year end was £19,056,398 (2022: £41,100,587).

The total value of St. James's Place funds under management held by other companies within the St. James's Place Group as at the year end was £116,950,317,331 (2022: £100,054,645,283).

**ST. JAMES'S PLACE UNIT TRUST GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****14. RELATED PARTY BALANCES (CONTINUED)**

There were no transactions with companies within the St. James's Place Group for which disclosure is required for 2023 or 2022.

At 31 December, the following amounts were outstanding:

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Intra-Group debtors, net of provision</b>		
St. James's Place International (Singapore) plc	231	429
St. James's Place UK plc	-	688
	<u>231</u>	<u>1,117</u>
	<b>2023</b>	2022
	<b>£000</b>	£000
<b>Intra-Group creditors</b>		
St. James's Place (Hong Kong) Limited	90	85
St. James's Place International Distribution Limited	962	846
St. James's Place International (Hong Kong) Limited	329	289
St. James's Place International plc	718	-
St. James's Place Investment Administration Limited	9,450	9,052
St. James's Place Management Services Limited	5,591	6,479
St. James's Place (Singapore) Private Limited	5	4
St. James's Place UK plc	9,525	-
St. James's Place Wealth Management (Shanghai) Limited	-	1
St. James's Place Wealth Management plc	1,235	841
	<u>27,905</u>	<u>17,597</u>

**15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company regarded by the Directors as the immediate parent company is St. James's Place Wealth Management Group Limited, a company registered in England and Wales.

The company regarded by the Directors as the ultimate parent company is St. James's Place plc, a company registered in England and Wales. It is also the parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up and of which the Company is a member.

Copies of the consolidated financial statements of St. James's Place plc may be obtained from the Company Secretariat at St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire, GL7 1FP.

In the opinion of the Directors, St. James's Place plc is considered to be the ultimate controlling party.