



ST. JAMES'S PLACE
CHARITABLE FOUNDATION

ANNUAL REPORT

31 December 2018

Charity Registration Number: 1144606

Company Registration Number: 7819270

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

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ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Chairman's Report

Going from strength to strength

2018 has been another successful year for the Foundation raising £10 million through our community and through company matching. That means our community has now raised over £81 million for good causes since 1992, and I would like to take this opportunity to thank them for their generosity and continued commitment to the Foundation. I would also like to extend our thanks to St. James's Place Shareholders for both supporting the running costs and their ongoing commitment to matching our fundraising activities.

The range of fundraising includes an array of activities from climbing Mount Olympus in Greece to cycling from London to Amsterdam: walking in the Derbyshire Peaks to a sprint triathlon in St Albans. In addition, the year saw a number of charity dinners and auctions along with a wide range of smaller initiatives such as cake bakes, quiz nights, individual sponsored events. Alongside these various events, we're particularly proud of the number of our community who donate monthly from their earnings which, with matching, raised over £3.2 million in the year. We are leaders in this field with almost 90% of our community giving monthly.

I am also delighted to report that following our continued growth, the Foundation is now listed in the top 10 of Corporate Foundations*, which is further testament to the continued commitment and dedication of our community.

Making a positive and lasting difference to people's lives

In line with our incredible fundraising efforts mentioned above, during 2018 the Charitable Foundation has made over 1,000 grants to the value of £10.8 million distributed to charities whose work benefits people who fit within our four core funding themes, which include: -

- Children and young people with a disability or who are socially or economically disadvantaged
- Cancer support
- Hospices
- Mental Health

We were delighted to see one of our largest grant awards (£1 million) come to fruition for the Birmingham Children's Rare Disease Unit which opened its doors in September 2018. This will change the lives of thousands of children in need of specialist support for complex medical conditions.

** Association of Charitable Foundations – Foundation Giving Trends 2018 Report*

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Chairman's Report *continued*

Plans for 2019

Looking ahead to 2019 we will continue to support charities operating across our core themes both in the UK and overseas, delivering real impact and a transformational difference to the people they help. At the same time, we aim to build stronger partnerships with some of our grantees, helping them to build on their successes, and achieve their goals

We will continue to grow and develop our fundraising activities and look forward to key events in our fundraising calendar, including a trek in Montenegro, cycling from Vienna to Prague, and walking in the Quantock Hills.

We also look forward to celebrating the achievements of young people we have supported through our Children of Courage Awards events, which take place in several locations across the UK. Some incredibly inspiring young people, who despite the many challenges they face have through their own determination and courage achieved wonderful things.

It continues to be a pleasure to be the Chair of the St. James's Place Charitable Foundation and to witness first-hand the excellent work the charities it supports do. Truly inspiring.

David Bellamy
Chairman, St. James's Place Charitable Foundation

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Trustees' Annual Report

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their annual report along with the financial statements of the charity for the year from 1 January 2018 to 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities 2015 and FRS 102.

Reference and Administrative Details

Charity name	St. James's Place Charitable Foundation
Company registration number	7819270
Charity number	1144606

Trustees and Directors

David Bellamy (Chairman)
Malcolm Cooper-Smith
Andrew Croft
Ian Gascoigne
Sonia Gravestock (appointed 23 May 2018)
Jonathan McMahon (appointed 23 May 2018)
David Lamb (resigned 28 February 2019)

Bankers

Bank of Scotland plc	Barclays Bank plc
150 Fountainbridge	Bristol Queens Sq
Edinburgh	Leicester
EH3 9PE	LE87 2BB

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
One Kingsway
Cardiff
CF10 3PW

Principal Address

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

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Trustees' Annual Report *continued*

Principal Officers (Managing Committee)

Chairman and Trustee	- David Bellamy
Trustees and Directors	<ul style="list-style-type: none">- Malcolm Cooper-Smith- Andrew Croft- Ian Gascoigne- Sonia Gravestock (appointed 23 May 2018)- Jonathan McMahon (appointed 23 May 2018)- David Lamb (resigned 28 February 2019)
Operational Executive	<ul style="list-style-type: none">- Andrew Humphries (appointed 1 April 2019)- Sonia Gravestock (resigned 31 March 2019)
Head of Foundation	<ul style="list-style-type: none">- Catherine Ind (appointed 1 February 2019)- Mark Longbottom (resigned 31 January 2019)

Structure, Governance and Management

The Charitable Foundation is a charitable company incorporated under the Companies Act 2006, limited by guarantee and not having a share capital. It is governed by its memorandum and articles of association. The power of appointing new Trustees of the Charitable Foundation is vested in the Trustees. The minimum number of Trustees to exercise any discretion of power is three, whilst a new Trustee may be appointed at any time, either as a replacement or as an additional Trustee.

St. James's Place plc (St. James's Place) management believes it has a responsibility to apply some of its profits and energy for the benefit of people whose lives have been adversely affected by illness, disability or some form of disadvantage. To this end, the St. James's Place Charitable Foundation was established as an unincorporated charity in 1992 and funded during the first seven years entirely by members of the Partnership and employees of the Group. In 1999, the shareholders of St. James's Place agreed that, in future, the Group should match, pound for pound, all monies raised by Partners and employees.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Trustees' Annual Report *continued*

Trustee Induction and Training

New Trustees are given a personal induction by the Chairman, copies of previous reports and financial statements, minutes of Trustee and committee meetings, and a copy of the Charity Commission's guidance "The Essential Trustee: What you need to Know".

Updates on charity administration and specialist articles are provided by means of letters and articles from St. James's Place's legal department and the Charitable Foundation's solicitors as required.

Management

The St. James's Place Charitable Foundation is the charitable arm of St. James's Place. The Charitable Foundation is managed on a day-to-day basis by Andrew Humphries – appointed 1 April 2019 (Sonia Gravestock - Charitable Foundation Trustee and Director resigned day to day control on 31 March 2019) and Catherine Ind – appointed 1 February 2019, (Mark Longbottom - Head of Foundation resigned on 31 January 2019), who in turn will refer any policy decisions which need to be made to the Trustees.

Whilst the Trustees have overall responsibility for all activities carried out by the Foundation, the day to day operations are undertaken by a Foundation team and a committee of representatives from each office within the St. James's Place Group. For example, the Foundation team with the committee review grant applications and make recommendations to the Trustees about whether to make a grant and, if so, how much. The committee also assists the Foundation team and the Trustees to raise funds from the Partners and employees of the St. James's Place Group. The Trustees have had regard to Charity Commission guidance on public benefit where relevant.

The Charitable Foundation's Aims and Objectives

The aims and objectives of the Charitable Foundation are to promote such purposes that are exclusively charitable according to the law in England and Wales as the Trustees shall determine. In carrying out the aims and objectives, the Charitable Foundation may receive and make donations.

The Trustees believe that their grant making policy is in keeping with the Charity Commission's guidance on public benefit.

Grant Making Policy

Recommendations for grants to be awarded under the current themes are made by the managing committee to the Trustees who consider those recommendations.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Trustees' Annual Report *continued*

Risk Management

The Trustees annually assess the major risks to which the Charitable Foundation is exposed, in particular those related to the operations and finances of the Charitable Foundation and are satisfied that systems are in place to mitigate the exposure to the major risks.

Investment Policy

There are no restrictions on the Charitable Foundation's power to invest. In practice, all funds are maintained either in interest bearing bank accounts or in a sterling money fund which operates as an open-ended investment company. Cash is held within Money Market Funds or interest-bearing bank accounts where funds are immediately available to meet the cost of grants as and when they arise. Surplus cash is then retained until grants are paid out. Whilst interest is generated from cash being held in interest bearing accounts, cash is raised for the purposes of making grants as opposed to being held long term as an investment.

Reserves Policy

As at 31 December 2018 the total funds were £7,767,215 (2017: £8,769,812).

It is the intention of the Trustees to be able to meet requests for donations under the following themes:- Children and young people who are disadvantaged or have special needs; Supporting people with cancer; the hospice movement; mental health; and support for armed services, subject to the Trustees' approval, as they are considered.

The funds of the Charitable Foundation are all readily realisable and are retained in interest bearing accounts, within which £250,000 is maintained as an operating reserve. The level of this reserve is reviewed annually.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable Foundation's auditors are unaware; and each Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the Charitable Foundation's auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of St. James's Place Charitable Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

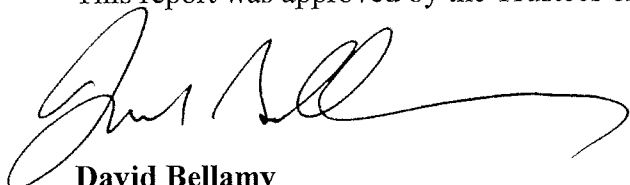
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on

16/7/19

and signed on their behalf by:



David Bellamy
Chair of Trustees

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Independent auditors' report to the members of St. James's Place Charitable Foundation

Report on the audit of the financial statements

Opinion

In our opinion, St. James's Place Charitable Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2018 and of incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the balance sheet as at 31st December 2018;
- the statement of financial activities for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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 charitable 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.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Independent auditors' report to the members of St. James's Place Charitable Foundation *continued*

Conclusions relating to going concern

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

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company'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 Trustees 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.

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

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Independent auditors' report to the members of St. James's Place Charitable Foundation *continued*

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Annual Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the Trustees 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 Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity'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.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Independent auditors' report to the members of St. James's Place Charitable Foundation *continued*

Other required reporting

Under the Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:
we have not received all the information and explanations we require for our audit; or
adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
certain disclosures of Trustees' remuneration specified by law are not made; or
the financial statements are not in agreement with the accounting records and returns.
We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to:
prepare financial statements in accordance with the small companies' regime;
take advantage of the small companies exemption from preparing a Strategic Report.
We have no exceptions to report arising from this responsibility.



Kevin Williams (Senior Statutory Auditor)

**for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff**

Date: 17 July 2019

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Statement of the Financial Activities for the year ended 31 December 2018

Company no: 7819270 / Charity no: 1144606

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Income from:					
Voluntary Income	2	5,614,271	482,810	6,097,081	6,663,932
Activities for generating funds	3	163,361	-	163,361	360,319
Investment Income		34,923	-	34,923	8,253
Other incoming resources - Company matching		<u>4,506,011</u>	<u>-</u>	<u>4,506,011</u>	<u>11,256,559</u>
<i>Total</i>		10,318,566	482,810	10,801,376	18,289,063
Resources expended					
Cost of generating funds					
- Costs of generating voluntary income	4	415,982	-	415,982	611,207
Charitable activities – grant making	5	<u>10,936,014</u>	<u>451,977</u>	<u>11,387,991</u>	<u>11,239,677</u>
<i>Total resources expended</i>		11,351,996	451,977	11,803,973	11,850,884
<i>Net (Expenditure)/Income for the Year</i>		(1,033,430)	30,833	(1,002,597)	6,438,179
Reconciliation of funds					
Fund balances brought forward at 1 January 2018		<u>8,686,020</u>	<u>83,792</u>	<u>8,769,812</u>	<u>2,331,633</u>
Fund balances carried forward at 31 December 2018	10	<u>7,652,590</u>	<u>114,625</u>	<u>7,767,215</u>	<u>8,769,812</u>

The full analysis of the prior year income and expenditure between unrestricted and restricted income can be found in note 12.

The statement incorporates the Income and Expenditure account.

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived from the continuing activities of St. James's Place Charitable Foundation.

The notes on pages 17 to 23 form part of these financial statements.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Balance sheet at 31 December 2018

Company no: 7819270 / Charity no: 1144606

	Note	2018 £	2017 £
Current Assets			
Debtors	7	2,135,290	759,512
Investments; Unrestricted funds		5,753,432	7,824,346
Restricted funds		114,626	83,792
Cash at bank and in hand		<u>369,707</u>	<u>185,146</u>
Total current assets		8,373,055	8,852,796
Liabilities			
Creditors: amounts falling due within one year	8	<u>(605,840)</u>	<u>(82,984)</u>
Net assets		<u>7,767,215</u>	<u>8,769,812</u>
The funds of the Charity			
Restricted income funds	10	114,625	83,792
Unrestricted income funds	10	<u>7,652,590</u>	<u>8,686,020</u>
Total charity funds		<u>7,767,215</u>	<u>8,769,812</u>

The financial statements on pages 14 to 23 were approved by the Trustees on 16/7/19 and signed on its behalf by:



Malcolm Cooper-Smith
Trustee

The notes on pages 17 to 23 form part of these financial statements.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Cash Flow Statement for the year ended 31 December 2018

Company no: 7819270 / Charity no: 1144606

	Note	2018 £	2017 £
Reconciliation of net (expenditure)/income to net cash provided by operating activities:			
Net (expenditure)/income		(1,002,597)	6,438,179
Adjustments for:			
Investment income		(34,923)	(8,253)
Add:			
(Increase)/decrease in debtors		(1,375,778)	(346,656)
Increase/(Decrease) in creditors		605,840	(325,949)
Net cash (used in)/provided by operating activities		(1,807,458)	5,757,321
Statement of cash flows:			
Cash flows (used in)/provided by operating activities:		(1,807,458)	5,757,321
Net cash provided by/(used in) operating activities			
Cash flows provided by/(used in) investing activities:			
Investment income		34,923	8,253
Net cash provided by investing activities		34,923	8,253
Change in cash and cash equivalents		(1,772,535)	5,765,574
Cash and cash equivalents at 1 January:			
At bank and in hand		185,146	567,123
Bank Overdraft		(82,984)	-
Money market accounts		7,908,138	1,677,603
Total cash and cash equivalents		8,010,300	2,244,726
Cash and cash equivalents at 31 December			
At bank and in hand		369,707	185,146
Bank Overdraft		-	(82,984)
Money market accounts		5,868,058	7,908,138
Change in cash and cash equivalents		(1,772,535)	5,765,574

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018

1. Principal Accounting Policies

The financial statements have been prepared under the historical cost convention, on a going concern basis, and in accordance with applicable United Kingdom Accounting Standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities 2015 (SORP 2015), FRS 102 and in accordance with the Companies Act 2006 and the Charities Act 2011, using consistently applied accounting policies.

Company status

The Charitable Foundation is a company limited by guarantee not having a share capital. The liability of the members is limited by the Articles of Association to £1 each.

The particular accounting policies adopted, which have been applied consistently through the current and prior financial year, are described below.

St. James's Place Charitable Foundation is a public benefit entity.

Income

Covenant contributions and investment income are accounted for on a receivable basis. Covenant and Gift Aid contributions include tax recoverable from HMRC.

Incoming resources are received in the form of donations, fundraising and Greeting Card sales.

Lottery: the lottery is open to all employees and Partners of the St. James's Place Group and lottery income is shown gross. Each participant is allocated a number and if that number is drawn then they will win a prize. The lottery is drawn on a monthly basis, with 1st, 2nd and 3rd prizes awarded. Lottery expenses, i.e. winnings, are recorded within costs of generating voluntary income.

Investment income: this represents returns on money market accounts and cash at bank.

Company matching: this represents income received from St. James's Place plc which matches pound for pound, subject to certain restrictions, donations made to the Charitable Foundation by Partners and employees of St. James's Place plc. The amount is therefore determined by the amounts raised from covenants, lottery, fundraising activities (less any associated costs) and donations received from within the St. James's Place community.

Voluntary Income: this includes the operating expenses (including salaries) of the Charitable Foundation team as per "donated services" below.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018 *continued*

Fund Accounting

The Charitable Foundation holds both restricted and unrestricted funds. All income raised by individuals to support a specific charity other than the Charitable Foundation are shown in the restricted funds. All other income is shown in the unrestricted fund and is available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Foundation.

Investment Policy

Investments are held in a UK money market account.

Donated services

Employee and other administration support costs totalling £593,827 (2017: £405,052) are donated services received from St. James's Place Management Services Limited ("SJPMs"). They are accounted for within "Voluntary Income" and "Other incoming resources - Company matching" and as an associated expense within "Resources expended: Charitable activities". The valuation basis is the actual costs that are incurred by SJPMs. The PwC audit fees of £8,000 for 2018 and 2017 were donated services.

Expenditure

Grants payable

Grants, both single and multi-year, are recognised in the financial statements as liabilities after they have been approved by the Trustees, the recipients have been notified and there are no further terms and conditions to be fulfilled which are within the control of the Charitable Foundation. In these circumstances, there is a valid expectation by the recipients that they will receive the grant.

Other expenditure

Expenditure is recognised on an accruals basis as the liability is incurred.

Costs of generating voluntary income are incidental costs incurred in fundraising events together with Lottery winnings and bank charges.

Charitable activities include all grants made in the year and grants over one year, together with support costs including expenses.

Taxation

The Charitable Foundation has no liability for corporation tax due to its charitable status. There have been no non-charitable activities in the year and no provision for taxation is considered necessary. St. James's Place Charitable Foundation is able to recover income tax deducted at source.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018 *continued*

2. Voluntary Income

	Unrestricted funds £	Restricted funds £	31 Dec 2018 Total £	31 Dec 2017 Total £
Covenant and Gift Aid contributions	2,176,232	-	2,176,232	1,963,356
Donations	554,076	-	554,076	80,994
Donated services – audit fee	8,000	-	8,000	8,000
Donated services – staff & support costs	593,827	-	593,827	405,052
Fundraising events	2,282,136	482,810	2,764,946	4,206,530
	5,614,271	482,810	6,097,081	6,663,932

3. Activities for Generating Funds

	Unrestricted funds £	Restricted funds £	31 Dec 2018 Total £	31 Dec 2017 Total £
Lottery	36,856	-	36,856	34,435
Greeting Cards	126,505	-	126,505	325,884
	163,361	-	163,361	360,319

4. Costs of generating voluntary income

	Unrestricted funds £	Restricted funds £	31 Dec 2018 Total £	31 Dec 2017 Total £
Costs of fundraising events	396,610	-	396,610	593,574
Lottery winnings	18,590	-	18,590	17,088
Bank charges	782	-	782	545
	415,982	-	415,982	611,207

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018 *continued*

5. Charitable activities – grant making

	Unrestricted funds £	Restricted funds £	31 Dec 2018 Total £	31 Dec 2017 Total £
Grants payable in the year	10,334,187	451,977	10,786,164	10,826,625
Support costs	601,827	-	601,827	413,052
	10,936,014	451,977	11,387,991	11,239,677

Support costs

	31 Dec 2018 £	31 Dec 2017 £
Audit fee	8,000	8,000
Travel	31,727	36,941
Staff costs (note 6)	429,784	366,454
Consultancy & Other	132,316	1,657
	601,827	413,052

The auditors are appointed on an honorary basis. The value of the audit has been included in Incoming Resources as a donated service and as Audit fee in Support Costs.

6. Trustees and employee information

The Trustees were not paid or reimbursed expenses during the year (2017: nil) and no Trustee received any emolument or payment for professional or other services (2017: nil).

The Charitable Foundation employs no staff directly. SJPMS employs 9 staff (2017: 9) who provide administration support to the Charitable Foundation. All employee costs are met by SJPMS.

The number of employees whose total employee benefits for the year fell within each band of £10k from £60k upwards was;

	31 Dec 2018	31 Dec 2017
£60k-£70k	1	2
£70k-£80k	1	-

The aggregate payroll cost of these employees was as follows:

	31 Dec 2018 £	31 Dec 2017 £
Wages and salaries	351,374	286,365
Social security costs	34,800	33,817
Pension costs	41,764	42,074
Temporary Staff Costs	1,846	4,198
	429,784	366,454

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Notes to the Financial Statements for the year ending 31 December 2018 *continued*

7. Debtors

	31 Dec 2018 £	31 Dec 2017 £
Amounts due from SJPMS	1,677,977	466,218
Accrued income	439,582	293,294
Other debtors	17,731	-
	2,135,290	759,512

8. Liabilities: Creditors

	31 Dec 2018 £	31 Dec 2017 £
Amounts falling due within one year:		
Bank overdraft	-	82,984
Grants payable	605,840	-
Total liabilities	605,840	82,984

9. Contingent Liabilities

	31 Dec 2018 £	31 Dec 2017 £
Amounts falling due within one year: grants payable	7,857,834	3,436,576
Amounts falling due after more than one year: grants payable	2,292,342	2,122,340
	10,150,176	5,558,916

All of the above meet the definition of contingent liabilities as each grant recipient must meet conditions set by the Charitable Foundation in order to receive the grant funding and the probability of these grants being awarded is more than extremely remote. No constructive obligations exist. There are no legal arrangements relating to any of the contingent liabilities detailed above. No security is provided in relation to any of the contingent liabilities detailed above. None of the contingent liabilities above relate to capital projects.

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018 *continued*

10. Funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 1 January 2018	8,686,020	83,792	8,769,812
Income	10,318,566	482,810	10,801,376
Expenditure	(11,351,996)	(451,977)	(11,803,973)
Fund balances at 31 December 2018	7,652,590	114,625	7,767,215

Funds are occasionally raised by donors who wish to donate to causes the Charitable Foundation supports in which the donors have a particular interest.

Resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions imposed.

11. Related Parties

The following are related parties of the Charitable Foundation.

Some of the Trustees of the Charitable Foundation are also Directors of St. James's Place plc or other companies in the St. James's Place Group. The only transactions with such Trustees were any donations made by the Trustees to the Charitable Foundation.

St. James's Place plc donates to the Charitable Foundation in the form of pound for pound matching, for certain donations that are made by Partners, staff and some other third parties to the Charitable Foundation. This is explained further in Note 1. The amount donated by St. James's Place plc during the year was £4,506,011 (2017: £11,256,559). The payment of the donations is facilitated through SJPMS, which also donates the costs of the staff that administer the charity (see note 6).

ST. JAMES'S PLACE CHARITABLE FOUNDATION

Annual Report for the year ended 31 December 2018

Notes to the Financial Statements for the year ending 31 December 2018 *continued*

12. Prior year analysis of unrestricted and restricted income and expenditure

	Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017
	£	£	£
Income from:			
Voluntary Income	5,929,550	734,382	6,663,932
Activities for generating funds	360,319	-	360,319
Investment Income	8,253	-	8,253
Other incoming resources - Company matching	<u>11,256,559</u>	<u>-</u>	<u>11,256,559</u>
<i>Total</i>	17,554,681	734,382	18,289,063
Resources expended			
Cost of generating funds			
Costs of generating voluntary income	611,207	-	611,207
Charitable activities – grant making	<u>10,589,087</u>	<u>650,590</u>	<u>11,239,677</u>
<i>Total resources expended</i>	11,200,294	650,590	11,850,884
 <i>Net (Expenditure) for the Year</i>	 <u>(6,354,387)</u>	 <u>(83,792)</u>	 <u>(6,438,179)</u>
Reconciliation of funds			
Fund balances brought forward at 1 January 2017	<u>2,331,633</u>	-	<u>2,331,633</u>
Fund balances carried forward at 31 December 2017	<u>8,686,020</u>	<u>83,792</u>	<u>8,769,812</u>

