

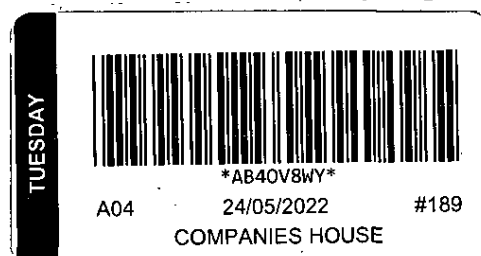
Registered number: 02990295

# **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



**LINDEN HOUSE FINANCIAL SERVICES LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	N Smythe C Westwood T P T Williams
<b>Company Secretary</b>	St. James's Place Corporate Secretary Limited
<b>Registered Number</b>	02990295
<b>Registered Office</b>	St. James's Place House 1 Tetbury Road Cirencester Gloucestershire GL7 1FP

## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

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## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

#### **PRINCIPAL ACTIVITY**

The Company acts as an intermediary in the provision of financial services products.

During the year the Company ceased to be directly authorised by the FCA and became an appointed representative of Perennial Financial Management Limited.

#### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £628,677 (2020 - £774,896).

No dividends were paid during the year (2020 - £NIL).

*The Directors do not recommend the payment of a final dividend (2020 - £NIL).*

#### **DIRECTORS**

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

R W P Griffiths (resigned 20 January 2022)  
N Smythe  
C Westwood  
T P T Williams

#### **FUTURE DEVELOPMENTS**

The Company is expected to continue to act as an intermediary in the provision of financial services products.

#### **EMPLOYEES**

The Company has no employees (2020 - NIL).

#### **CURRENT RISK ENVIRONMENT**

We continue to identify potential challenges ahead and recognise that significant risks remain in relation to COVID-19 variants and the economic consequences from the response to it, such as inflationary challenges in the short term and potential future changes to the tax landscape. We are also mindful of the potential for geo-political tensions to escalate, which could have relevance to the Group through the impacts on financial markets and through heightened Cyber risk. Overall, we remain confident in the Group's ability to withstand further challenges that may or may not emerge from the current risk environment.

In addition to the impact of COVID-19, another issue of high importance to the wider Group is tackling climate change. The related risks affect all companies in different ways, and we have carefully considered how climate change could impact the wider Group to identify risks and opportunities. Further information is set out in the St. James's Place plc Annual Report and Accounts 2021

#### **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 or its subsidiaries.

## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **AUDIT EXEMPTION**

The Directors have elected to take advantage of the exemption from statutory audit granted to wholly-owned subsidiary undertakings by section 479A of the Companies Act 2006. In accordance with section 479C another group company, St. James's Place plc (incorporated in England and Wales with registered number 03183415), has guaranteed all outstanding liabilities of Linden House Financial Services Limited as at 31 December 2021 and this guarantee has been filed at Companies House.

#### **GOING CONCERN**

Going concern has been evaluated by the Directors of the Company. They concluded that it was reasonable to expect the Company to remain a trading company for a period of not less than 12 months from the date of signing the financial statements.

This report was approved by the Board of Directors on 21 February 2022 and signed by order of the Board on the same date by:



**St. James's Place Corporate Secretary Limited**  
Secretary

## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

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 FRS 102 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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

**LINDEN HOUSE FINANCIAL SERVICES LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	3	<b>1,104,544</b>	1,528,797
<b>GROSS PROFIT</b>		<b>1,104,544</b>	1,528,797
Administrative expenses		<b>(328,159)</b>	(574,954)
<b>OPERATING PROFIT</b>	4	<b>776,385</b>	953,843
Interest receivable and similar income		-	3,132
Interest payable and similar expenses		<b>(557)</b>	(587)
<b>PROFIT BEFORE TAX</b>		<b>775,828</b>	956,388
Income tax	6	<b>(147,151)</b>	(181,492)
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME</b>		<b>628,677</b>	774,896

All amounts relate to continuing operations.

The notes and information on pages 7 to 12 form part of these financial statements.

**LINDEN HOUSE FINANCIAL SERVICES LIMITED**  
**REGISTERED NUMBER: 02990295**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>CURRENT ASSETS</b>			
RECEIVABLES: Amounts falling due within one year	7	121,142	1,907
Cash and cash equivalents	8	3,134,983	2,762,249
		<u>3,256,125</u>	<u>2,764,156</u>
PAYABLES: Amounts falling due within one year	9	(337,890)	(474,598)
<b>NET CURRENT ASSETS</b>		<b>2,918,235</b>	<b>2,289,558</b>
<b>NET ASSETS</b>		<b>2,918,235</b>	<b>2,289,558</b>
<b>EQUITY</b>			
Share capital	10	1,085	1,085
Share premium		11,615	11,615
Retained earnings		2,905,535	2,276,858
<b>TOTAL EQUITY</b>		<b>2,918,235</b>	<b>2,289,558</b>

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements on pages 4 to 12 were approved by the Board of Directors on 21 February 2022 and were signed on its behalf on the same day by:

*Nicola Smythe*

**N Smythe**  
 Director

The notes and information on pages 7 to 12 form part of these financial statements.



**LINDEN HOUSE FINANCIAL SERVICES LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2021	1,085	11,615	2,276,858	2,289,558
Profit and total comprehensive income for the financial year	-	-	628,677	628,677
<b>At 31 December 2021</b>	<b>1,085</b>	<b>11,615</b>	<b>2,905,535</b>	<b>2,918,235</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2020	1,085	11,615	1,501,962	1,514,662
Profit and total comprehensive income for the financial year	-	-	774,896	774,896
<b>At 31 December 2020</b>	<b>1,085</b>	<b>11,615</b>	<b>2,276,858</b>	<b>2,289,558</b>

The notes and information on pages 7 to 12 form part of these financial statements.

## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1. GENERAL INFORMATION**

The Company is a private company limited by shares, incorporated and domiciled in 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**

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

The financial statements have been prepared under the historical cost convention, on a going concern basis, and in accordance with Financial Reporting Standard 102 (FRS102), 'The Financial Reporting Standard applicable in the United Kingdom and the 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 principal accounting policies, which have been applied consistently throughout the year, are set out below.

##### **2.2 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 paragraph 33.7.

This information is included in the consolidated financial statements of St. James's Place plc as at 31 December 2021 and these financial statements may be obtained from the Company Secretariat at St. James's Place House, 1 Tetbury Road, Cirencester, Gloucestershire, GL7 1FP.

##### **2.3 Turnover**

Turnover represents fees and commission income received or receivable and is charged to the Statement of Comprehensive Income on an accruals basis.

##### **2.4 Administrative expenses**

Administrative expenses represent costs incurred in the ordinary activities of the Company, recharges from a fellow Group company and other third-party expenses, charged to the Statement of Comprehensive Income on an accruals basis.

##### **2.5 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.

## **LINDEN HOUSE FINANCIAL SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.6 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.7 Operating leases**

Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the term of the relevant lease.

##### **2.8 Financial Instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. 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 as held at amortised cost.

###### **At amortised cost**

Financial assets held at amortised cost 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 receivables), 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.

Financial assets held at amortised cost are impaired using an expected credit loss model. Expected credit losses are based on the historic levels of loss experienced for the financial assets, with due consideration given to forward looking information.

###### **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.

**LINDEN HOUSE FINANCIAL SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****3. TURNOVER**

All turnover arose within the United Kingdom.

**4. OPERATING LOSS**

The operating loss is stated after charging:

	2021 £	2020 £
Operating lease rentals	<b>3,744</b>	-

**5. DIRECTORS' REMUNERATION**

During the year, no Director received any emoluments in respect of their services to the Company (2020 - £NIL). The highest paid Director received no remuneration (2020 - £NIL).

At 31 December 2021, the number of Directors to whom retirement benefits are accruing, including those receiving cash supplements in lieu of their defined contribution pension scheme, is 4 (2020 - 4), including the highest paid Director. Retirement benefits are accrued in money purchase schemes for 4 (2020 - 4) 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 2 (2020 - 2). The number of Directors in respect of whose qualifying services shares were receivable under long-term incentive schemes is 4 (2020 - 4).

**6. INCOME TAX**

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profit for the year	<b>147,151</b>	181,492
<b>Total current tax</b>	<b>147,151</b>	181,492

**LINDEN HOUSE FINANCIAL SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****6. INCOME TAX (CONTINUED)****Factors affecting the tax charge for the year**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit before taxation	<b>775,829</b>	956,388
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	<b>147,408</b>	181,714
<b>Effects of:</b>		
Transfer pricing adjustments	<b>(257)</b>	(222)
<b>Total tax charge for the year</b>	<b>147,151</b>	181,492

**Future tax changes**

There were no factors that may affect future tax charges.

**7. RECEIVABLES: Amounts falling due within one year**

	2021 £	2020 £
Amounts owed by Group undertakings	<b>119,559</b>	-
Other receivables	<b>1,583</b>	-
Prepayments and accrued income	-	1,907
	<b>121,142</b>	1,907

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

**8. CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash at bank and in hand	<b>3,134,983</b>	2,762,249

**LINDEN HOUSE FINANCIAL SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****9. PAYABLES: Amounts falling due within one year**

	2021 £	2020 £
Amounts owed to Group undertakings	190,739	277,153
Corporation tax	147,151	181,492
Accruals and deferred income	-	15,953
	<u>337,890</u>	<u>474,598</u>

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

**10. SHARE CAPITAL**

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
10,850 (2020 - 8,550) Ordinary A shares of £0.10 each	1,085	855
0 (2020 - 1,500) Ordinary B shares of £0.10 each	-	150
0 (2020 - 800) Ordinary C shares of £0.10 each	-	80
	<u>1,085</u>	<u>1,085</u>

During the year, the Ordinary B shares and Ordinary C shares were redesignated as Ordinary A shares.

**11. PARENT COMPANY GUARANTEE**

On 21 February 2022, in accordance with section 479C of the Companies Act 2006, St. James's Place plc guaranteed all outstanding liabilities of Linden House Financial Services Limited as at 31 December 2021, until they are satisfied in full. This guarantee is enforceable against St. James's Place plc by any person to whom Linden House Financial Services Limited is liable in respect of those liabilities.

**12. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
<b>Land and Building</b>		
Not later than 1 year	<u>1,872</u>	<u>-</u>

**LINDEN HOUSE FINANCIAL SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****13. RELATED PARTY BALANCES**

The Company's related parties include key management personnel and companies within the St. James's Place Group.

Transactions with key management personnel are exempt from disclosure.

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

At 31 December 2021, the following amounts were outstanding:

	2021 £	2020 £
<b>Intra-Group receivables, net of provisions</b>		
Perennial Financial Management Limited	<b>119,559</b>	-
	<b>2021 £</b>	<b>2020 £</b>
<b>Intra-Group payables</b>		
St. James's Place Aquisition Services Limited	<b>190,739</b>	227,150
Perennial Financial Management Limited	-	3
	<b>190,739</b>	227,153

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

The company regarded by the Directors as the immediate parent company is St. James's Place Acquisition Services 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.