St James’s Place eyes future growth after ‘challenging backdrop’ in 2022

Bosses at wealth management firm St James’s Place have said it is “well positioned” for future growth as it reported record underlying cash, despite a “more challenging backdrop” in its latest financial year.

The FTSE 100 company, which is headquartered in Cirencester in Gloucestershire but has offices around the UK, said its underlying cash reached an all-time high of £410.1m in 2022.

The board said the firm had achieved its second best year for new business flows in its history, despite sharply rising inflation, macroeconomic and geopolitical uncertainty, and investment market volatility.

Funds under management dropped back to £148.4bn from last year’s peak of £154bn. The company’s directors said while investment markets recorded negative returns over the year, the firm’s advisers “performed admirably” in helping clients feel confident in their finances, which helped the strength of its net inflows.

The firm posted gross inflows of £17bn – down from £18.2bn in 2021 – while net inflows also fell to £9.8bn from £11bn.

Chief executive Andrew Croft said the company had managed its controllable cost base well and contained growth to 5% “as planned”.

Mr Croft said demand for its services was “only getting stronger”, and the group was well positioned to capitalise on market opportunity.

He added: “2023 has continued in much the same way that 2022

ended, but we remain encouraged to see indicators that UK inflation may have peaked and that there are some signs of optimism for the direction of economies and investment markets worldwide.”

The firm’s board has proposed a full-year dividend of 52.78 pence per share – up from 51.96 pence per share in 2021, in line with a target of paying out around 70% of the underlying cash result.

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