

# Charles Stanley

Final Results Presentation

For the year ended 31 March 2021



# Agenda

1. Overview
2. FY 2021 financial results
3. Focus for FY 2022 – IMS, FPS, CFS
4. Outlook

## Appendices



**Paul Abberley**  
Chief Executive Officer



**Ben Money-Coutts**  
Chief Financial Officer



**Ian Sackfield**  
Managing Director of  
Investment Management  
Services




**Andrew Meigh**  
Managing Director of  
Financial Planning



**John Porteous**  
Managing Director of  
Central Financial Services

1. **Overview**
2. FY 2021 financial results
3. Focus for FY 2022 – IMS, FPS, CFS
4. Outlook



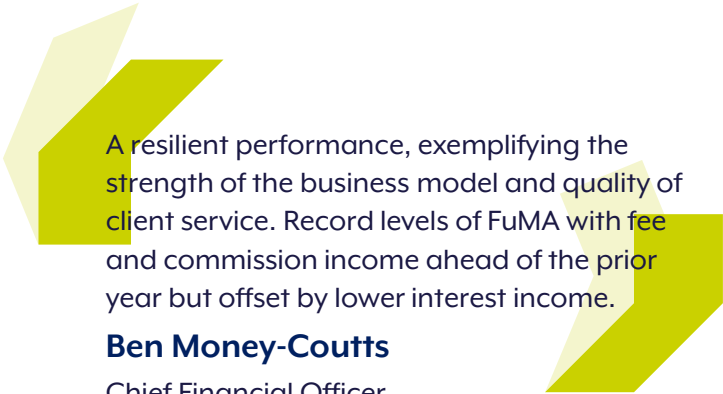
Strong performance amidst global disruption with dedication from colleagues to high levels of client support and continuing focus on projects to improve operational efficiency.

**Paul Abberley**

Chief Executive Officer

- Resilient financial performance against challenging backdrop of the coronavirus pandemic. Year end with FuMA at record levels
- Group transitioned to home-working effectively and maintained its normal high level of client service throughout the year
- Successful completion of outsourcing of IT infrastructure
- Improved client satisfaction and staff engagement scores
- Planned launch of Central Financial Services division and commencement of new digital strategy - will enhance client proposition
- Ongoing initiatives to improve operational efficiency

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A resilient performance, exemplifying the strength of the business model and quality of client service. Record levels of FuMA with fee and commission income ahead of the prior year but offset by lower interest income.

**Ben Money-Coutts**  
Chief Financial Officer

# FY 2021 – progress of key financial metrics

**Average FuMA  
marginally lower  
but now at  
record levels**

- Average FuMA year-on-year decreased 4.1% to £23.2bn (2020: £24.2bn)
- FuMA at record levels – increased by 26.7% to £25.6bn (2020: £20.2bn)

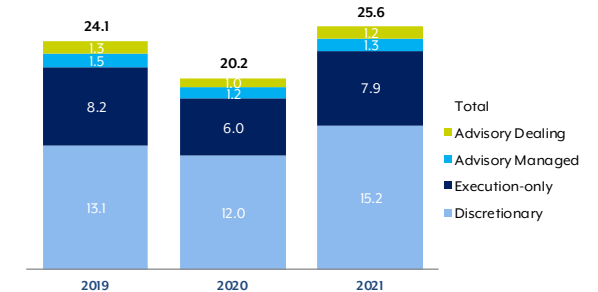
**Revenues, profits  
and margins  
marginally  
lower, but  
dividend  
increased**

- Revenue decreased by 1.0% to £171.2m (2020: £173.0m) due to lower average FuMA and significantly reduced interest income. Fees and commissions both increased
- Underlying profit before tax down by 10.9% to £17.2m (2020: £19.3m) resulting in a profit margin of 10% (2020: 11.7%)
- Final dividend increased to 9.0p (2020: 6.0p)

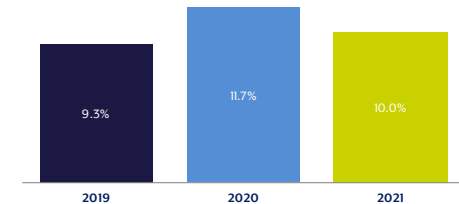
**Strong financial  
position**

- Net assets increased by 5.8% to £123.3m (2020: £116.5m)
- Cash balances improved by 12.7% to £105.4m (2020: £93.5m)
- Regulatory capital resources at 185% of requirement

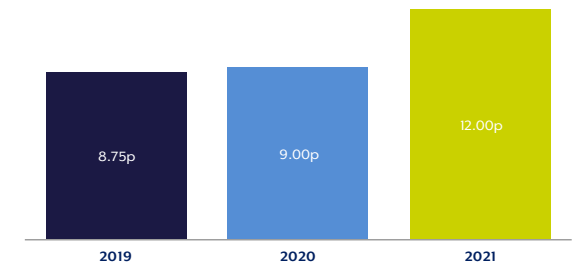
FuMA (£bn)



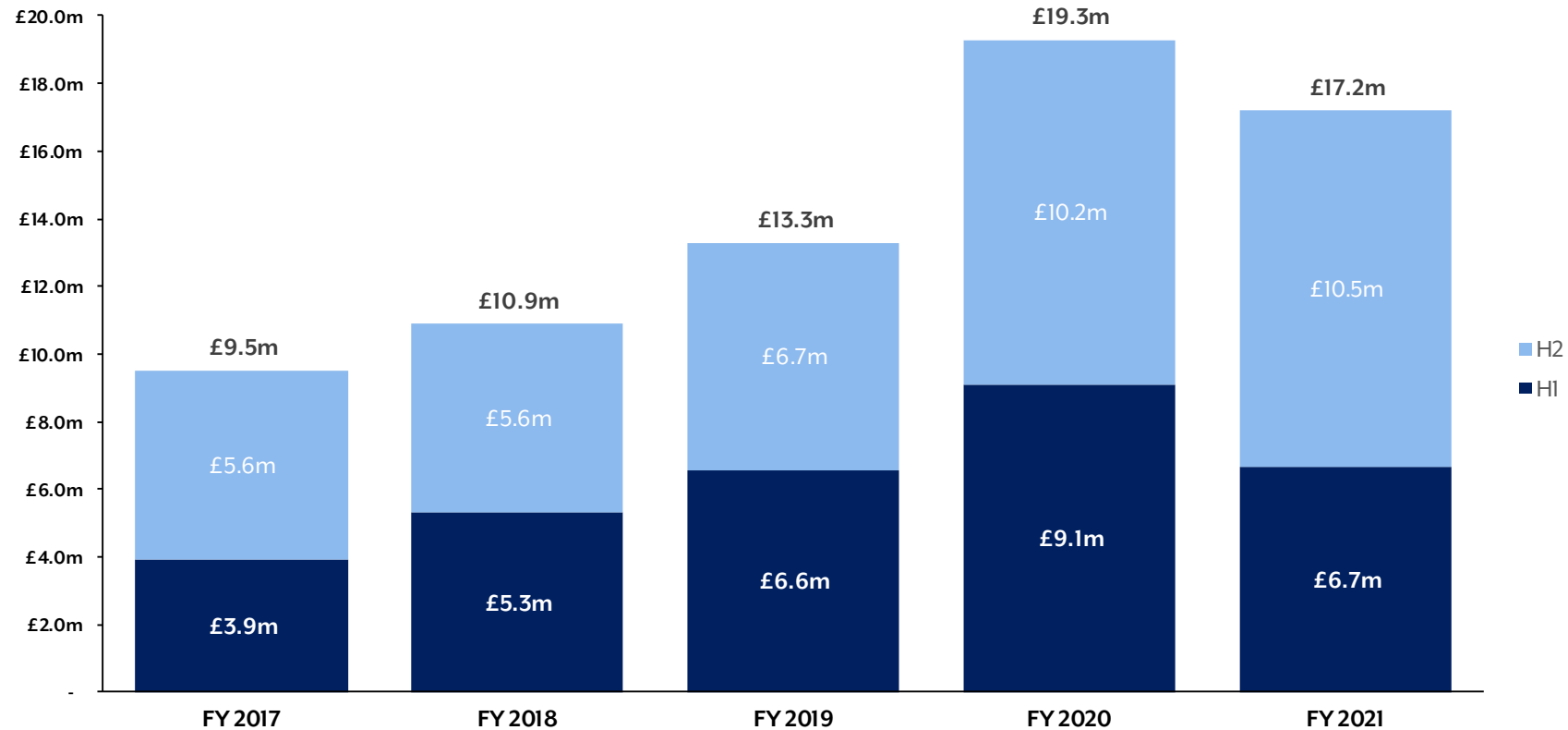
Underlying profit margin



Dividend per share (p)



# Underlying profit before tax – good recovery in H2 2021



# FuMA – record levels at £25.6bn

	Discretionary £bn	Advisory Managed £bn	Advisory Dealing £bn	Execution only £bn	Total £bn
Funds at 1 April 2020	12.0	1.2	1.0	6.0	20.2
New clients <sup>1</sup>	0.6	-	-	0.3	0.9
Net outflows from existing clients <sup>2</sup>	(0.2)	-	(0.1)	(0.1)	(0.4)
Lost clients <sup>3</sup>	(0.4)	(0.1)	-	(0.5)	(1.0)
<b>Net organic outflows</b>	<b>-</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(0.5)</b>
Market movement <sup>4</sup>	3.2	0.2	0.3	2.2	5.9
<b>Funds at 31 March 2021</b>	<b>15.2</b>	<b>1.3</b>	<b>1.2</b>	<b>7.9</b>	<b>25.6</b>
<b>Average funds for 31 March 2021</b>	<b>13.8</b>	<b>1.2</b>	<b>1.1</b>	<b>7.1</b>	<b>23.2</b>
<b>Average funds for 31 March 2020</b>	<b>13.6</b>	<b>1.4</b>	<b>1.2</b>	<b>8.0</b>	<b>24.2</b>
<b>Percentage change in average funds</b>	<b>1.5%</b>	<b>(14.3%)</b>	<b>(8.3%)</b>	<b>(10.1%)</b>	<b>(4.1%)</b>

- Record levels of FuMA up 26.7% to £25.6bn (2020: £20.2bn)
- Overall increase in funds was largely attributable to investment performance of £5.9bn
- Average FuMA marginally lower at £23.2bn (2020: £24.2bn) reflecting stressed market conditions during the year, especially in the first half

1. New clients represent FuMA of new client accounts established during the period.  
2. Net outflows from existing clients include fees paid out of clients' accounts and income withdrawn.  
3. Lost clients represent all client accounts closed during the period.  
4. Market movement represents all other movements



# Financial summary

	FY 2021	FY 2020	Change
	£m	£m	
Revenue	171.2	173.0	(1.0%)
Expenditure	(153.7)	(153.2)	(0.3%)
Net finance and other non-operating costs	(0.3)	(0.5)	40.0%
<b>Underlying<sup>1</sup> profit before tax</b>	<b>17.2</b>	<b>19.3</b>	<b>(10.9%)</b>
Adjusting items <sup>3</sup>	(3.8)	(2.0)	(90.0%)
<b>Profit before tax</b>	<b>13.4</b>	<b>17.3</b>	<b>(22.5%)</b>
Tax expense	(2.9)	(3.1)	6.5%
<b>Profit after tax</b>	<b>10.5</b>	<b>14.2</b>	<b>(26.1%)</b>
Underlying profit margin <sup>2</sup>	10.0%	11.7%	
Underlying EPS	26.44p	31.41p	(15.8%)
Reported EPS	20.16p	28.03p	(28.1%)
Dividend per share	12.00p	9.00p	33.3%

- Fee and commission income grew 2.7% but was offset by a 68.8% decline in interest income as base rates were cut. Financial Planning fees grew 14.9% and the overall revenue margin grew to 74bps (2020: 72bps)
- Expenditure was little changed. Increases in ICT costs and the FSCS levy were offset by reductions in remuneration. Other categories were stable
- Underlying profit margins decreased to 10.0% as a result of the fall in revenue
- Underlying EPS decreased by 15.8% to 26.44p (2020: 31.41p)
- Dividend increased 33% to 12.0p

1. The underlying figures represent the Group's results excluding adjusting items

2. The prior year represents the underlying profit as defined in note 1 above and excludes the charge in respect of non-cash share options awarded to certain investment management teams under the revised remuneration arrangements settled in 2017, expressed as a percentage of the underlying revenues

3. Refer to slide 13 for a breakdown of the adjusting items

# Revenue

	2021	2020	Change
	£m	£m	
Investment Management Services (IMS)	151.6	154.8	(2.1%)
Financial Planning (FP)	10.0	8.7	14.9%
Charles Stanley Direct (CSD)	9.6	9.5	1.1%
	171.2	173.0	(1.0%)
	2021	2020	Change
	£m	£m	
Fees	127.1	123.1	3.2%
Commission	40.3	39.8	1.3%
Interest and other income	3.8	10.1	(62.4%)
	171.2	173.0	(1.0%)
	2021	2020	Change
	bps	bps	bps
Investment Management Services	77.3	74.8	2.5
Charles Stanley Direct	29.1	30.2	(1.1)
<b>Group</b>	<b>73.8</b>	<b>71.6</b>	<b>2.2</b>

- IMS revenues fell marginally as a result of lower average FuMA of £19.6bn (2020: £20.7bn) and loss of interest income outweighing an overall 1% increase in fee and commission income
- FP achieved record revenues reflecting prior years' investment to enlarge the team and achieving higher revenue per planner
- Equity trading activity through the CSD Platform increased by 62% leading to commission income up 58.8%, more than offsetting the 71.4% decline of interest income

# Underlying expenditure – remained flat

	Front office divisions £m	Support Functions £m	2021 Total £m	2020 Total £m	
Fixed staff costs	(28.7)	(26.2)	(54.9)	(53.4)	<ul style="list-style-type: none"> <li>Overall, underlying expenditure remained constant, with only 0.3% increase to £153.7m (2020: £153.2m)</li> <li>Fixed staff costs increased by £1.5m to £54.9m due to a 2% staff pay increase and a number of senior hires, although overall year end headcount is lower</li> </ul>
Other direct costs	(19.9)	(25.3)	(45.2)	(41.8)	
Total fixed staff and direct costs	(48.6)	(51.5)	(100.1)	(95.2)	
Variable staff costs	(46.2)	(7.4)	(53.6)	(58.0)	
Total expenditure	(94.8)	(58.9)	(153.7)	(153.2)	
Fixed staff cost/income ratio			32.1%	30.9%	<ul style="list-style-type: none"> <li>Variable staff costs decreased by £4.4m to £53.6m due to a reduction in bonus levels as a result of lower overall revenue and profit</li> <li>Non-staff costs increased by £3.4m to £45.2 largely due to increased FSCS levy charge of £1.1m and £4.7m higher ICT costs</li> </ul>
Variable staff cost/income ratio			31.3%	33.5%	
Other direct costs/income ratio			26.4%	24.2%	
Closing headcount			815	834	
Non-variable cost/income ratio			58.5%	55.0%	

# Divisional analysis

	Investment Management Services	Financial Planning	Charles Stanley Direct	Underlying Performance
	£m	£m	£m	£m
<b>Year ended 31 March 2021</b>				
Revenue	151.6	10.0	9.6	171.2
Direct costs:				
Fixed staff costs	(20.6)	(7.2)	(0.9)	(28.7)
Variable staff costs	(44.8)	(1.4)	-	(46.2)
Other direct operating expenses	(14.9)	(1.8)	(3.2)	(19.9)
Contribution	<b>71.3</b>	<b>(0.4)</b>	<b>5.5</b>	<b>76.4</b>
Allocated costs	(50.8)	(3.7)	(4.4)	(58.9)
Operating profit	<b>20.5</b>	<b>(4.1)</b>	<b>1.1</b>	<b>17.5</b>
Net finance and other non-operating costs	(0.3)	-	-	(0.3)
<b>Profit/(loss) before tax</b>	<b>20.2</b>	<b>(4.1)</b>	<b>1.1</b>	<b>17.2</b>
<b>Year ended 31 March 2020</b>				
<b>Profit/(loss) before tax</b>	<b>22.8</b>	<b>(5.1)</b>	<b>1.6</b>	<b>19.3</b>

- IMS's contribution 1.5% lower due to slight fall in revenues
- 14.9% increase in FP's revenue has brought it closer to generating a positive contribution (2020: -£1.9m). Revenues exclude £5.4m of investment management fees attributed to the IMS division from FP clients
- CSD's contribution was stable (2020:£5.5m)
- Central costs increased 5% to £58.9m (2020: £56.1m) primarily due to the increase of ICT costs and FSCS levy

# Adjusting items

	2021	2020
	£m	£m
Restructuring costs	(1.3)	(3.5)
Amortisation of client relationships	(1.3)	(1.2)
Impairment of client relationships	(0.7)	-
Fair value adjustment of contingent consideration	0.1	-
Impairment of freehold property	(0.6)	-
Net other one-off gains in the prior year	-	2.7
Net charge from adjusting items	(3.8)	(2.0)

The next stage is to drive cost savings. We expect further exceptional costs of £1.6m for the remainder of the programme. We remain on track to deliver overall annualised benefits of £4.5 million although the full fruits may not be seen until FY 2024.

- Restructuring costs of £1.3m mainly relating to the outsourcing of IT infrastructure
- Amortisation of client relationships treated as an adjusting item in common with industry practice
- Impairment of client relationship has been made for clients relations associated with the Myddleton Croft cash generating unit due to the reduction of FuMA since acquisition
- Fair value adjustment of contingent consideration payable on acquisition of Myddleton Croft
- Impairment of freehold property as a result of a revaluation whereby the carrying value of the property exceed the fair value

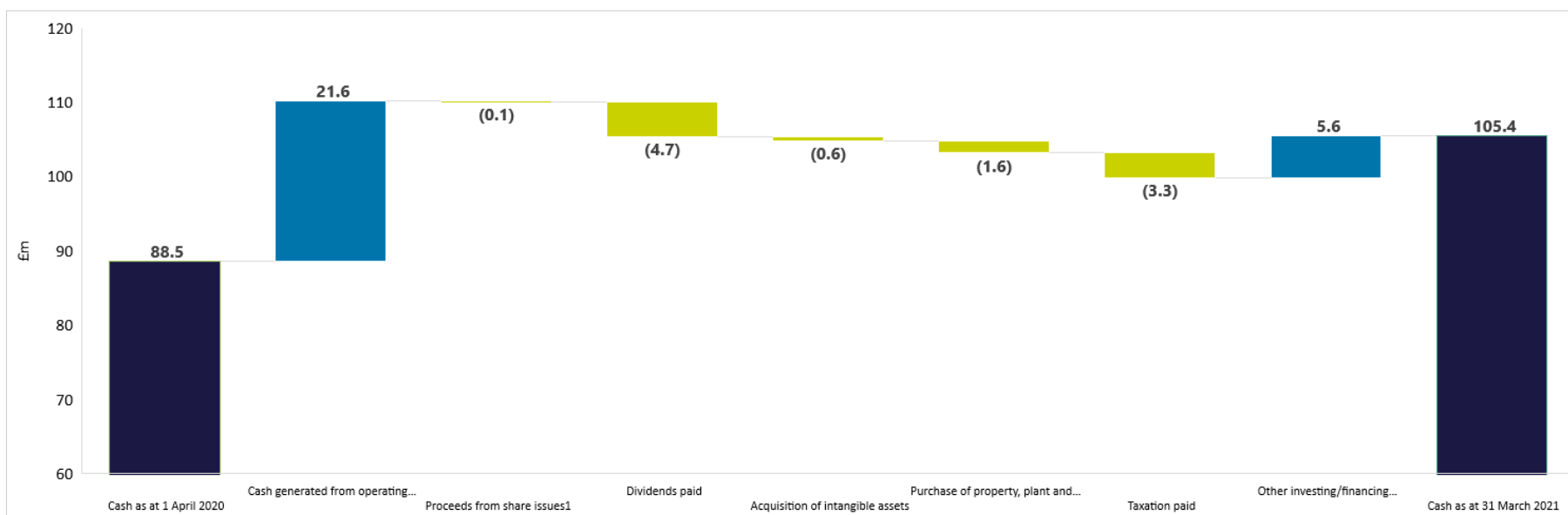
# Robust Balance sheet – net assets at £123.3m

	FY 2021 £m	FY 2020 £m	Change
Intangible assets	18.5	20.0	(7.5%)
Tangible non-current assets	15.9	24.3	(34.6%)
<b>Total non-current assets</b>	<b>34.4</b>	<b>44.3</b>	<b>(22.3%)</b>
Cash and treasury bills	105.4	93.5	12.7%
Other current assets	232.7	205.4	13.3%
<b>Total net current assets</b>	<b>338.1</b>	<b>298.9</b>	<b>13.1%</b>
<b>Total assets</b>	<b>372.5</b>	<b>343.2</b>	<b>8.5%</b>
<b>Total equity</b>	<b>123.3</b>	<b>116.5</b>	<b>5.8%</b>
Pension scheme deficit	3.2	5.1	37.3%
Other liabilities	246.0	221.6	(11.0%)
<b>Total liabilities</b>	<b>249.2</b>	<b>226.7</b>	<b>(9.9%)</b>
<b>Total equity and liabilities</b>	<b>372.5</b>	<b>343.2</b>	<b>8.5%</b>
<b>Net assets</b>	<b>123.3</b>	<b>116.5</b>	<b>5.8%</b>
<b>Return on capital employed<sup>1</sup></b>	<b>10.5%</b>	<b>13.4%</b>	
<b>Regulatory capital resources</b>	<b>100.6</b>	<b>94.1</b>	<b>6.9%</b>
<b>Regulatory capital requirement</b>	<b>54.4</b>	<b>49.9</b>	<b>9.0%</b>
<b>Capital adequacy ratio</b>	<b>185%</b>	<b>189%</b>	

- Maintained a strong financial position with net assets at £123.3m (2020: £116.5m) and significantly increased cash position of £105.4m (2020: £93.5m)
- Pension deficit decreased 37.3% to £3.2m (2020: £5.1m)
- Regulatory capital resources increased significantly to £100.6m (2020: £94.1m) but an increased capital requirement led the capital adequacy ratio to fall slightly to 185%

1. Return on capital employed represents reported operating profit for FY 2021 and FY 2020 divided by capital employed (total assets less current liabilities as at the reporting period).




# Cash flow



- Overall increase in cash of £16.9m
- Strong cash generation from operating activities of £21.8m

¹ Share issues under SAYE net of purchase of shares

# Strategic measures – what we are working towards

Operating Layer	Our target and FY21 status	Focus for FY 2022
 <p><b>Grow FuMA</b></p>	<p><b>Grow average FuMA</b></p> <p>A key driver to reach the target margin is to achieve net organic growth of managed assets of 3% per annum</p> <p>Closing FuMA was up 26.7% to £25.6 billion, but average FuMA for 2021 was lower at £23.2 billion and net organic growth was nil</p>	<ul style="list-style-type: none"> <li>• Ongoing development of our core client propositions to tap into specific target market opportunities</li> <li>• Build on business plans for each investment management team designed to generate fund inflows</li> <li>• Retain funds from existing clients by continuing to provide exemplary service and positive client outcomes</li> <li>• Development of Central Financial Services Division to bring client outcome-oriented and digitally enabled services to a wider audience in a scalable fashion</li> </ul>
 <p><b>Increase revenue margin</b></p>	<p><b>Maintain the Group revenue margin in excess of 70bps</b></p> <p>The Group has achieved this target, with a revenue margin of 74bps (2020: 72bps)</p>	<ul style="list-style-type: none"> <li>• Maintain high levels of client service and commitment to client outcomes</li> <li>• Build brand across target markets</li> <li>• Continue to build capacity in Financial Planning and Foundation Service too</li> <li>• Increase share of wallet by promoting holistic services and leveraging our strong net promotor score</li> <li>• Increased marketing and visibility of Charles Stanley Direct and Asset Management Services</li> </ul>
 <p><b>Improve operating efficiency</b></p>	<p><b>Reduce non-variable costs as a percentage of revenue to below 55%</b></p> <p>For FY 2021 non-variable costs were 59% of revenue (2020: 55%)</p>	<ul style="list-style-type: none"> <li>• Deliver efficiency gains from programmes already identified</li> <li>• Leverage capabilities built in Middle Office in FY 2021 to free front office desks of administrative burden, helping them to focus on client matters, and provide robust processes to support growth targets</li> <li>• Understand what the standard role should be to aid capacity management and cross-desk/branch utilisation</li> <li>• Ensure clear accountabilities and responsibilities are understood for all processes</li> <li>• Enhanced focus on management and monitoring of productivity and performance</li> </ul>



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# Investment Management Services

## Priorities

### Client Growth

Develop new and existing client relationships across our national footprint

### Increased collaboration

Leverage the breadth of our offering, where appropriate, for clients

### Clients

Expand our digital offering making it easier for clients to interact with us

### Suitability

Enhance how we operate reviewing our structure, processes and systems



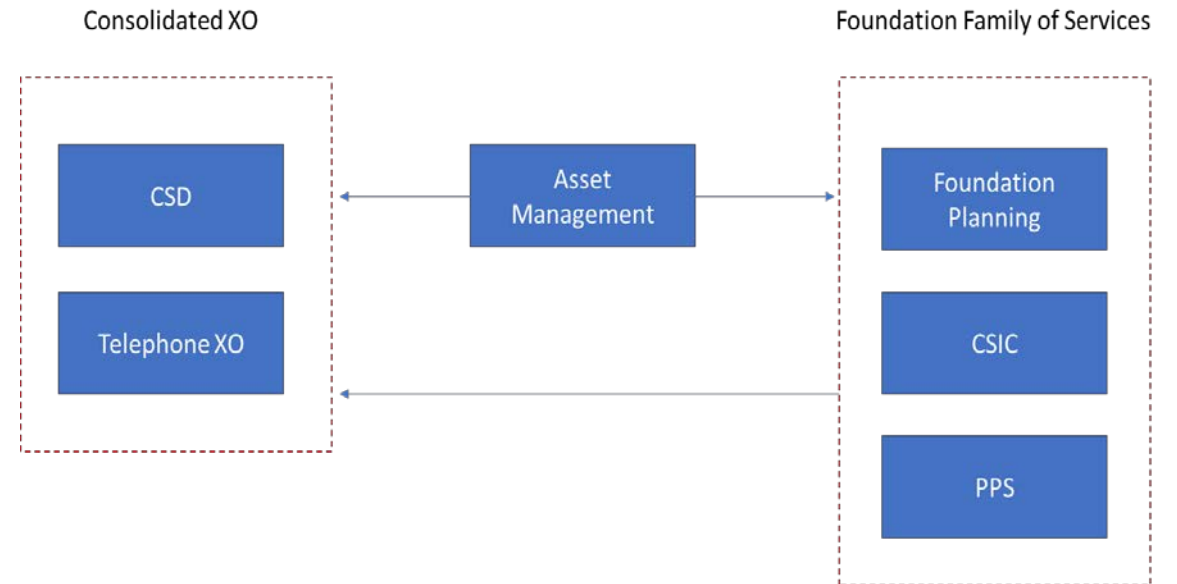
Focus on client proposition and operating efficiency to deliver profitable growth

- Continued focus on driving client numbers and divisional and per FP revenue.
- ‘Initiative 3,000’ commenced to support growth from existing cost base
- Simplify proposition for smaller clients
- Standardise review services and simplify report templates
- Increased use of technology
- Renewed focus of the use of CS Investment engine
- Ongoing initiatives to improve operational efficiency

# Central Financial Services

## Objectives

- Develop Charles Stanley Direct proposition to compete and acquire new clients in the Digital D2C space.
- Accelerate the existing plans to develop out the Foundation Planning Proposition so that its full service model can be brought to market exploiting a wider range of internal and external market opportunities.
- Bring Asset Management capabilities to broader audience and prepare the team for scaled growth based on demonstrable track record and improved profile.
- Combine the above to achieve great customer outcomes and profitable growth for the overall CFS division



# Central Financial Services

## Alignment with CS Vision and Strategy

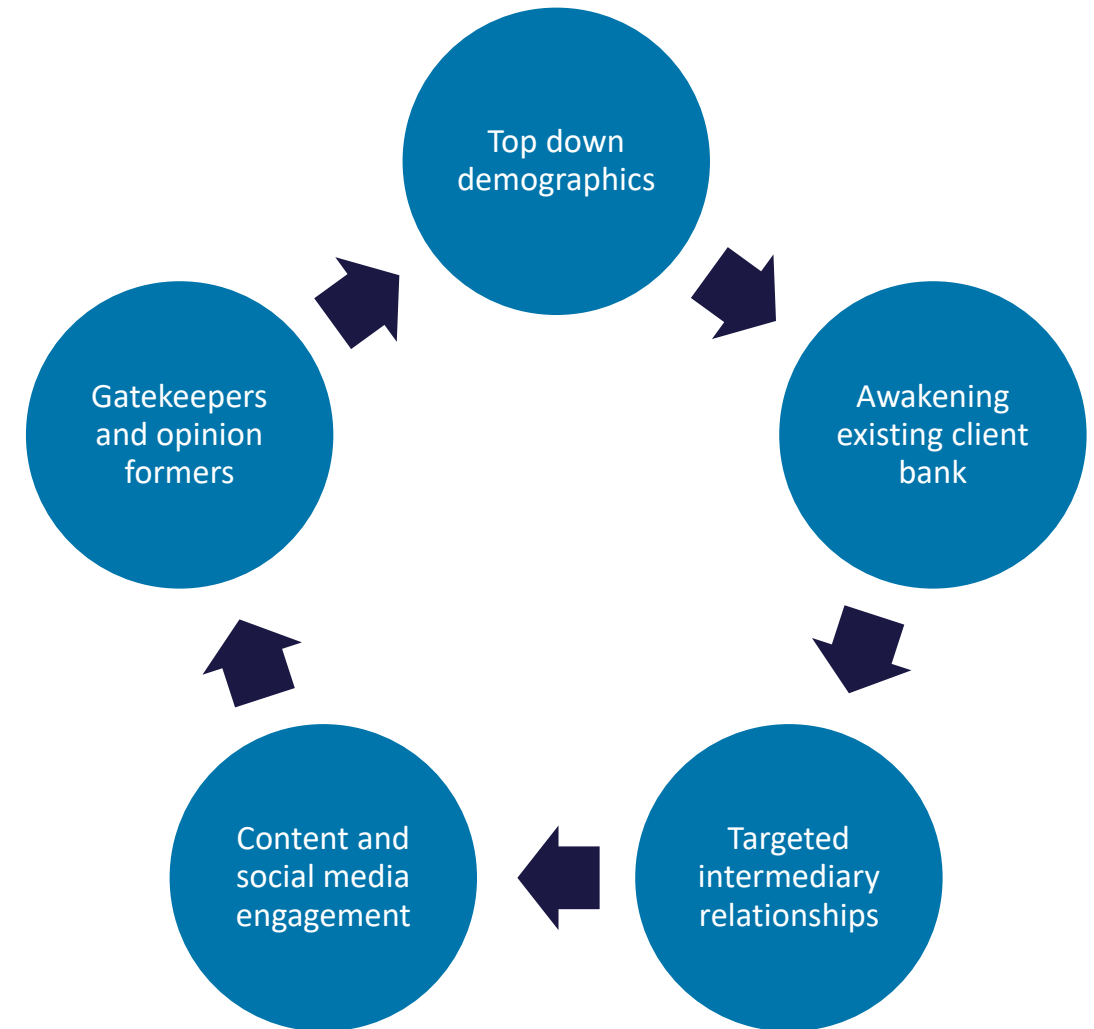
- CFS represents 'pivot' toward a more institutional 'outcome' based service methodology
- Build market profile and improve sales penetration into growth markets where there were previously barriers to entry for CS
- Showcase strong digital heritage bolstered by a progressive and content-led approach to marketing and promotion
- Unlock organic growth potential in high growth markets
- Work with central infrastructure and drive economies of scale and scope – both directly within the CFS Division and wider CS Group
- Collaborate with and complement wider service lines within CS Group
- Achieve self-sufficient profitable growth and commercial sustainability



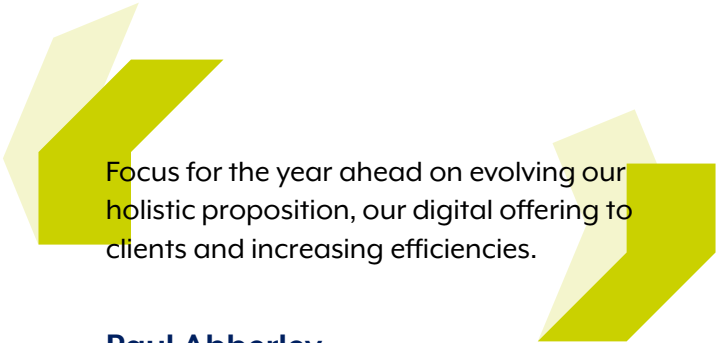
# Central Financial Services

## Go to market strategies

- CSD will increase market awareness, content and engagement with existing customers (via re-connecting and re-engaging). New client segments and existing client cohorts will be targeted. Additionally, there will be increased capacity for proficient cross-selling.
- Asset Management will increase its industry profile, focus on top down 'panel' positions with key distribution outlets, tighten engagement with retail platforms and take on more market visibility via the Intermediary Sales Team as part of a clearly defined sales strategy. Virtual events and more efficient communication will provide resource leverage.
- The Foundation Family of services (Foundation Planning, CSIC and PPS) will become a more tightly integrated offering – focusing on a compelling smaller client solution and light touch advice/guidance service model. This will be marketed internally within Charles Stanley and align with our Digital services. Also, over time the service will be marketed externally, as a small client solution to professional firms, workplaces and affinity groups.



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Focus for the year ahead on evolving our holistic proposition, our digital offering to clients and increasing efficiencies.

**Paul Abberley**  
Chief Executive Officer

- Market levels and trading activity appear reasonably well-supported
- Our focus for the year ahead is on:
  - Evolving our holistic proposition for client to drive growth
  - Implementation of our digital strategy
  - Continuing our programme of standardisation and greater operational efficiency
  - Optimising hybrid working arrangements
- We look forward with optimism to the year ahead



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# Our business – new divisional structure



# Our business – results under new divisional structure

Year ended 31 March 2021	Investment Management Services £m	Financial Planning Services £m	Central Financial Services £m	Underlying £m
Revenue	138.6	10.0	22.6	171.2
Direct costs:				
Fixed staff costs	(17.6)	(7.2)	(3.2)	(28.0)
Variable staff costs	(44.0)	(1.4)	(0.8)	(46.2)
Other direct operating expenses	(12.5)	(1.8)	(5.0)	(19.3)
Other income	-	-	-	-
Contribution	<b>64.5</b>	<b>(0.4)</b>	<b>13.6</b>	<b>77.7</b>
Allocated costs	(48.0)	(3.7)	(8.5)	(60.2)
Operating profit	<b>16.5</b>	<b>(4.1)</b>	<b>5.1</b>	<b>17.5</b>
Net finance and other non-operating (costs)/income	(0.4)	-	0.1	(0.3)
<b>Profit/(loss) before tax</b>	<b>16.1</b>	<b>(4.1)</b>	<b>5.2</b>	<b>17.2</b>

- Investment Management Services division excludes performance of Asset Management services and other miscellaneous services, which have transferred to the Central Financial Services division. The results of the new Investment Management Services division therefore differ from the historic Investment Management Services division.
- Central Financial Services division comprises Charles Stanley Direct, the Telephone Execution-only Service and Asset Management operations previously rolled up into Investment Management Services, and the newly launched Foundation Planning services
- Financial Planning division is unchanged from the previous structure and therefore the results are the same as the current divisional analysis

# Our vision is to become the UK's leading wealth manager



## Client satisfaction

We are participating in an industry-wide project to allow benchmarking of client satisfaction surveys within the wealth management industry and to ensure clients' feedback is adequately captured and monitored.



## Staff engagement

We hold annual staff engagement surveys benchmarked within the financial services sector and ensure staff feedback is actively acted upon.



## Equity market rating

We compare the Group's three-year total shareholder return to a selection of peer group listed companies.



## Client satisfaction

### Our objective

We are committed to improving our relationships with our clients and ensuring that our services meet and exceed expectations.

### Our results

Client satisfaction surveys were carried out for all our operating divisions during the year. The results of the surveys were overwhelmingly encouraging, with high satisfaction scores achieved by every division and an increase to 89% in overall satisfaction with Charles Stanley.

Client satisfaction by division (%)



## Staff engagement

### Our objective

Staff engagement is fundamental to our success. In November 2020, we carried out our fifth annual staff engagement survey and had a 79% response rate.

### Our results

Charles Stanley's Staff Engagement Index value of 79% remains comfortably in the upper quartile when benchmarked against data from The People Experience Hub client benchmark and the announced results from the FTSE 350 Employee Engagement Index. (2020: an upper quartile score is in excess of 69%).

89%

of respondents praised Charles Stanley for being a friendly place to work

96%

of respondents understand how their role contributes to the success of the Group



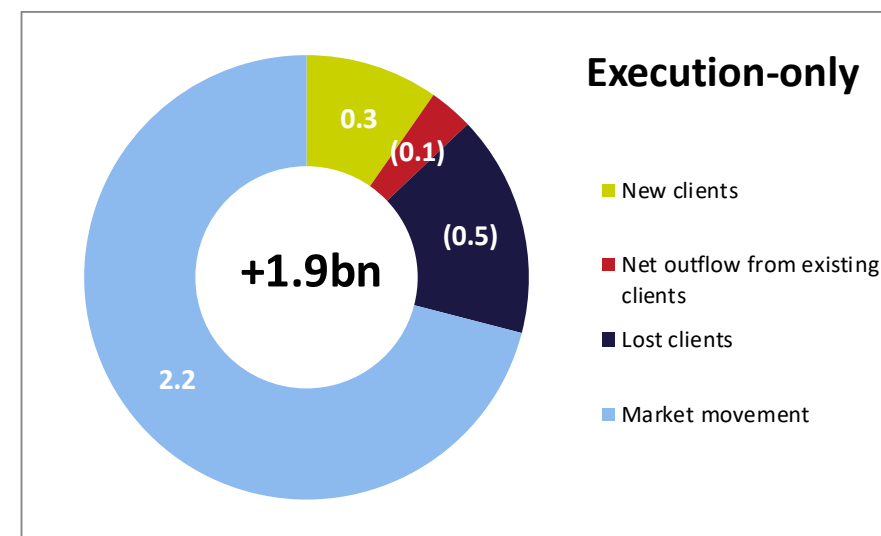
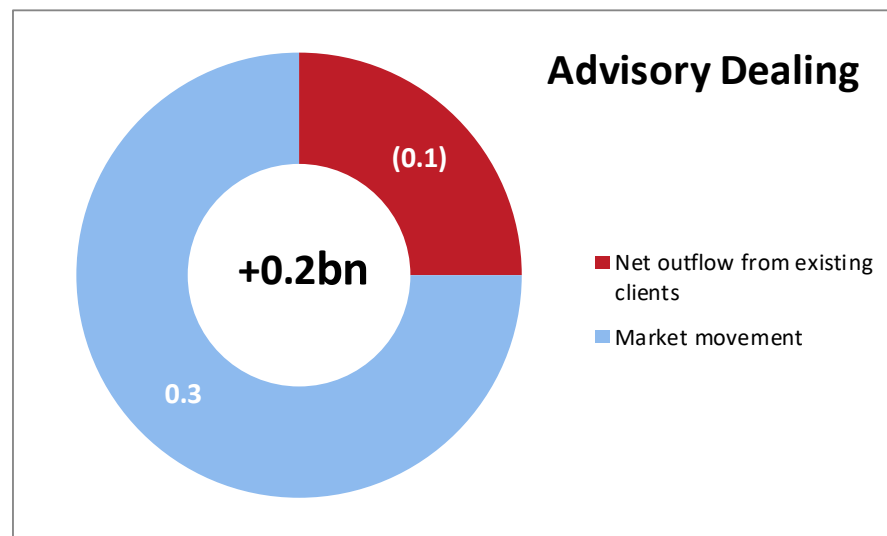
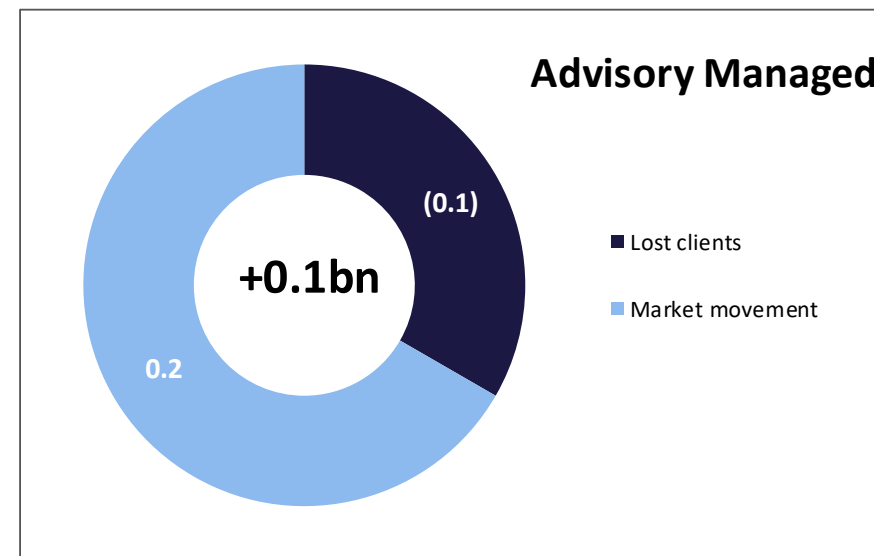
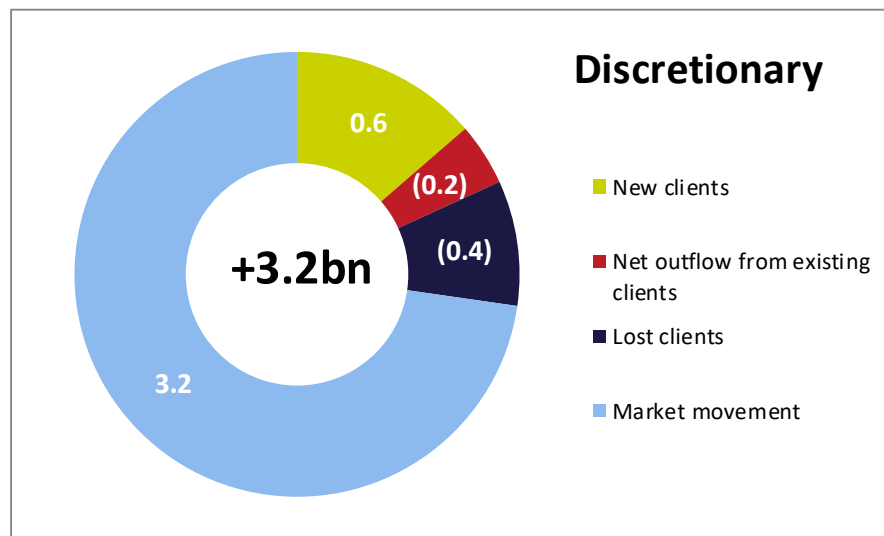
## Equity market rating

### Our objective

The Board is committed to delivering strong shareholder returns over the longer term. The adjacent table illustrates Charles Stanley's three-year total shareholder return (representing the change in share price and dividends paid over the period) in comparison to peer group listed companies.

Company name	2021	2020
Brooks Macdonald Group Plc	1	3
Brewin Dolphin Holdings PLC	2	2
Charles Stanley Group PLC	3	1
Rathbone Brothers Plc	4	4
Walker Crips Group Plc	5	5

# Change in FuMA by service type in FY 2021



# IMS – Divisional performance

	2021 £m	2020 £m	Change
Fee	111.6	109.6	1.8%
Commission	37.6	38.1	(1.3%)
Interest	2.4	7.1	(66.2%)
<b>Revenue</b>	<b>151.6</b>	154.8	(2.1%)
Direct costs	(35.5)	(33.2)	(6.9%)
Variable costs	(44.8)	(49.2)	8.9%
<b>Contribution</b>	<b>71.3</b>	72.4	(1.5%)
Profit before tax	20.5	23.4	(12.4%)
Operating margin <sup>1</sup>	13.5%	15.8%	
Closing headcount	349	349	-
Discretionary (£bn)	15.2	12.0	26.7%
Advisory managed (£bn)	1.0	0.9	11.1%
<b>Total managed (£bn)</b>	<b>16.2</b>	12.9	25.6%
Advisory dealing (£bn)	1.2	1.0	20.0%
Execution-only (£bn)	4.1	3.3	24.2%
<b>Total administered (£bn)</b>	<b>5.3</b>	4.3	23.3%
<b>Total FuMA (£bn)</b>	<b>21.5</b>	17.2	25.0%
<b>Average FuMA (£bn)</b>	<b>19.6</b>	20.7	(5.3%)
Average discretionary account portfolio size (£000)	371.8	294.3	26.3%
12 month average Discretionary funds per Certificated staff (£m)	70.0	69.3	-
<b><u>Revenue margins:</u></b>	<b>bps</b>	<b>bps</b>	
Discretionary	87	87	-
Advisory managed	78	75	3
<b>Managed</b>	<b>86</b>	86	-
Advisory dealing	47	45	2
Execution-only	40	34	6
<b>Administered</b>	<b>42</b>	36	6

# Financial Planning – Divisional performance

	2021 £m	2020 £m	Change
Revenue	10.0	8.7	14.9%
Direct costs	(9.0)	(8.9)	(1.1%)
Variable costs	(1.4)	(1.7)	17.6%
Contribution	(0.4)	(1.9)	78.9%
Loss before tax	(4.1)	(5.1)	19.6%
Contribution margin	(4.0%)	(21.8%)	17.8%
Margin	(41.0%)	(58.6%)	17.7%
Closing number of financial planners	30	27	3
Revenue per financial planner (£k)	338	333	1.3%

# Charles Stanley Direct – Divisional performance

	2021 £m	2020 £m	Change
Revenue	9.6	9.5	1.1%
Direct costs	(4.1)	(3.8)	(7.9%)
Variable costs	-	(0.2)	100.0%
Contribution	5.5	5.5	-
Profit before tax	1.1	1.6	(31.3%)
Revenue margin (bps)	29	30	(1)
Contribution margin	57.3%	57.9%	(0.6%)
Profit margin	11.5%	16.8%	(5.3%)
Charles Stanley Direct (£bn)	3.4	2.4	15.3%
Charles Stanley Investment Choices (£bn)	0.4	0.3	20.5%
<b>AuA (£bn)</b>	<b>3.8</b>	<b>2.7</b>	<b>40.7%</b>
<b>Average AuA (£bn)</b>	<b>3.3</b>	<b>3.1</b>	<b>6.5%</b>
Number of client accounts	64,145	61,770	3.8%



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