



**ST. JAMES'S PLACE**  
WEALTH MANAGEMENT

Investment Management Association  
65 Kingsway  
London  
WC2B 6TD

31 October 2013

Dear Sirs

**Exposure Draft – Statement of Recommended Practice – Financial Statements of UK Authorised Funds**

I am writing to provide you with feedback from St. James's Place Unit Trust Group Limited on the Exposure Draft of the Statement of Recommended Practice (SORP).

By way of background, St. James's Place Unit Trust Group is the Authorised Fund Manager of seven NURS and twenty four UCITS unit trusts, to which the SORP will apply.

Our comments relate solely on the comparative table for performance and charges, and its effective date.

While we recognise the benefits of enhancing disclosure around performance and charges, we do have a number of reservations around the proposals as set out:

1. The requirement to show comparative data for all unit classes will result in the presentation of multiple data which could remain very confusing for investors. We would suggest that AFMs be able to use representative unit classes, similar to the treatment in KIIDs, instead.
2. The majority of data will be relatively easy to compile going forwards, but the analysis of dealing costs between execution and research will be problematic. Our third party fund managers make the necessary disclosures to us based on calendar years, whereas the accounting periods for our unit trusts run to 31 March or 30 September. A methodology for compiling the data based on some form of extrapolation, or some other pragmatic form of guidance, would be helpful.

Alternatively, since the dealing costs are already a very small component of overall costs, we would recommend removing the requirement to split these between execution and research for the analysis altogether. This would be our preferred approach.

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3. We appreciate the desire to introduce the new disclosures as soon as practicable, but we view the proposed effective date – for all accounting periods ending on or after 31 March 2014 - as ambitious, particularly in comparison with the proposed effective date – accounting periods beginning on or after 1 January 2015 - for the bulk or the remainder of the SORP. We also note that the SORP is not due to be published in final form until around the end of March 2014. The inclusion of two years' comparative data, in addition to current year data, further exacerbates the problem.

We would therefore encourage an approach whereby the effective date were delayed, by, say, up to a year, and / or the requirements for full comparative data were reduced.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Sue Meech'.

Sue Meech  
Divisional Director, Finance