



Making complex things **simple**

Investing made clear,
straightforward and right
for your circumstances



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Our investment ethos

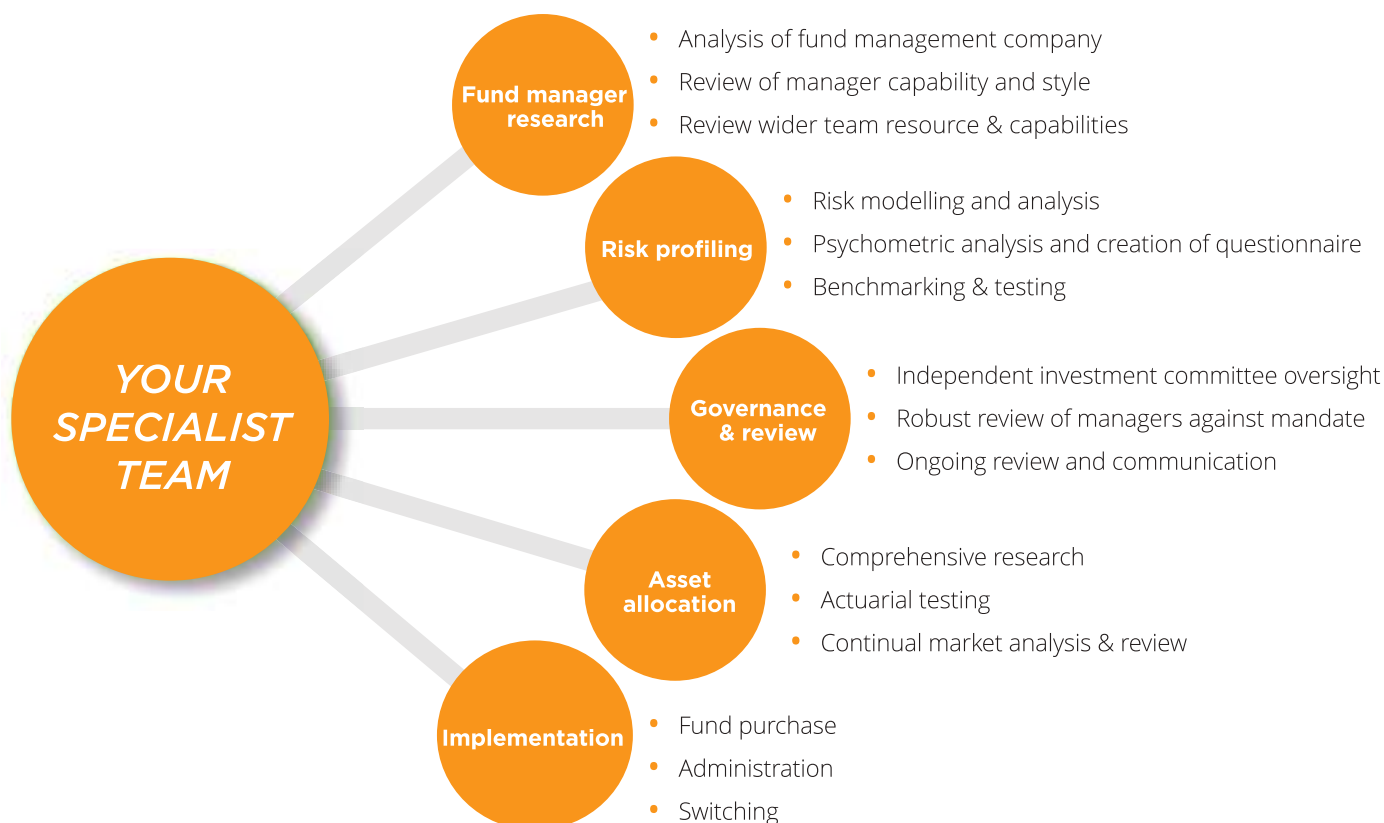
Our job as financial planners is not to guarantee future returns or to try and second guess which investments will perform best – after all, we don't have a crystal ball. Our job is to use our knowledge, skill and experience to maximise the chances of you achieving your aims and objectives.

The guiding principles at the heart of our investment ethos are:

- That we will invest your money to best meet your goals, not simply speculate on the latest trends
- We will find out what is important to you and build a plan to meet your goals
- We will employ the talents of a wide array of specialists on your behalf, so that you don't have to

The team we employ on your behalf

We use a robust, repeatable, proven yet leading edge investment process that makes use of a host of expertise from across the investment management profession. Simple though our process may appear, you can be sure that when we arrive at a recommended investment strategy for you a great deal of expert resource has been used to formulate that recommendation.



Helping you focus on what's important

With all that life can throw at you, focusing on your money can be hard. As financial planners we aim to cut through some of the common illusions and misconceptions about investing.

We believe in speaking plainly, not trying to confuse you with jargon or technical terms – keeping complex things as simple as possible.

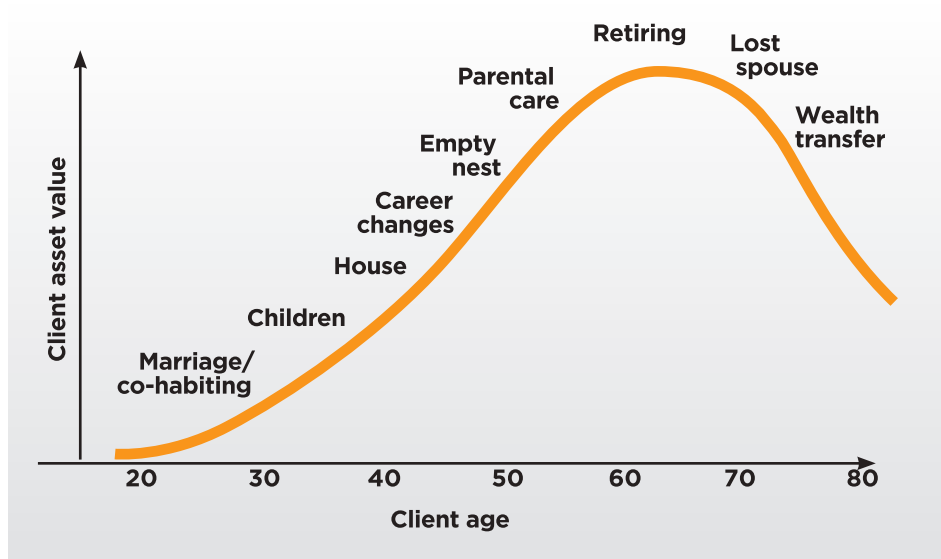
We also believe in goal based financial planning – focusing on what you want to achieve and building a solution to meet those needs.

Goal based Financial Planning

We all have different goals in life. As time goes by our priorities and aspirations may change. Equally you may feel very differently about one area of your finances compared to another. For example, you may want to keep some of your money safe for retirement, whilst you may feel you want to invest other money more adventurously.

Our investment process allows you to plan for all of your goals, not just one plan to try and fit every aspect of your life.

Harnessing your financial lifecycle



Making the risks clear

Everybody has a different interpretation of exactly what 'risk' means.

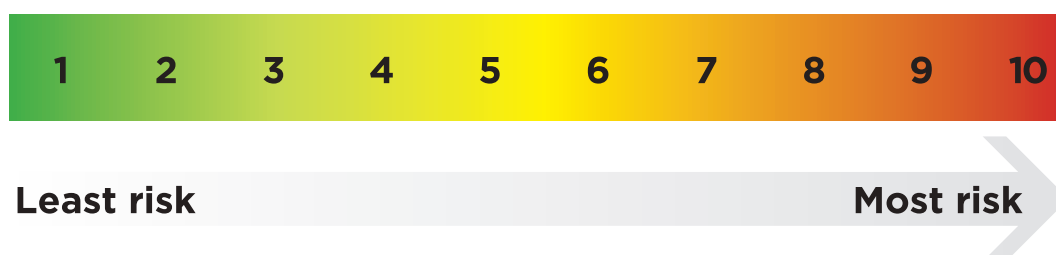
So, at the start of our investment process we aim to get to know you, your financial circumstances and your goals and then build a plan to meet your goals, rather than taking a 'one size fits all' approach.

Taking no more risk than you are comfortable with

Before we can identify the best investment strategy for you, we'll work with you to identify the level of risk you feel comfortable taking – the potential losses you would be prepared to accept in return for potential gains.

Our simple yet advanced planning tools will produce an assessment of how much risk you are prepared to take in order to meet your goals over the time period that is right for you.

Crucially we will then discuss this with you using clear monetary values, so you get a real feel of how the investment journey may be as values fall and rise over time.



'Risk only comes from not knowing what you are doing'.

Warren Buffet

Analysis of your current investments

It may well be that you already have some financial plans in place and it can be confusing to know whether or not you should stick with what you've got or update your investments when something new comes along.

We can analyse investments that you already have and show you whether or not your current investments are on course to meet your goals.

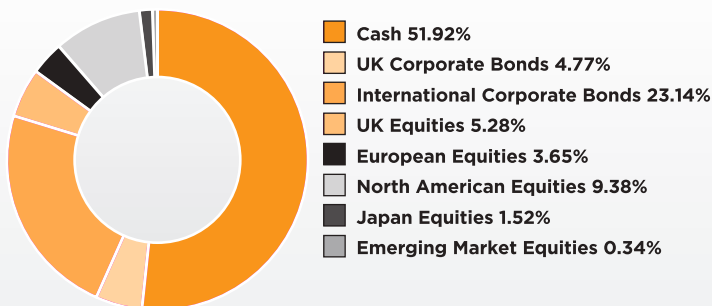
We can also examine how aligned they are with the attitude towards investment risk that you have identified as being appropriate for your circumstances.

Often it can be easier and more cost effective to re-balance your existing provisions than consider starting new plans.

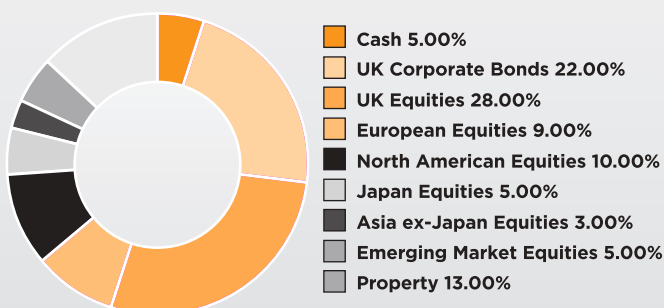
Getting a clear picture of your portfolio

Our simple yet powerful tools will be able to show you the make-up of your overall current investment portfolio, analysing the underlying holdings of individual funds to provide a full picture.

Example current asset mix



Example target asset mix



Choosing the right mix

When it comes to investing, nobody wants any nasty surprises. You can have the best plans in the world, but if you choose the wrong funds to invest in then you could see those plans disappear in front of your eyes. You need to know that your investments are aligned to your goals.

We will remove, by a process of elimination, any funds or products that are not suited to you.

We work with leading fund managers to create bespoke fund solutions that match exactly the risk parameters you are willing to accept.

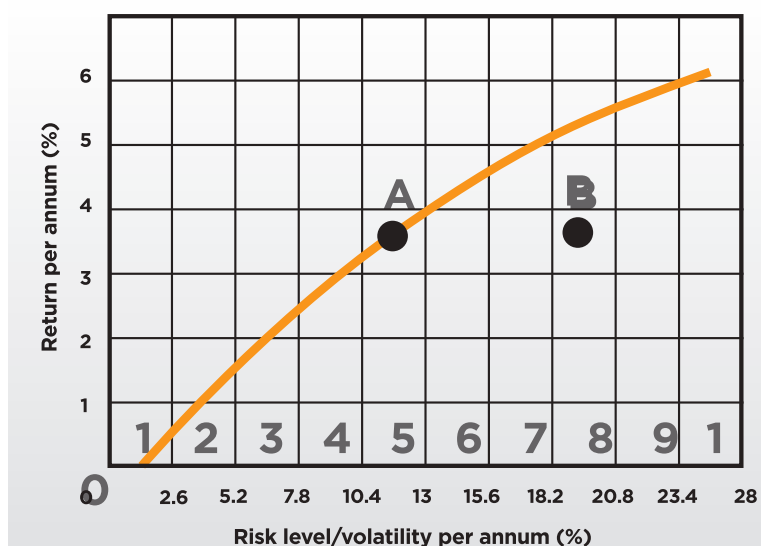
You will always know the possible implications of your fund selection and we will make it clear how these funds can help you achieve your financial goals.

The Efficient Frontier

By selecting funds that do what they say on the tin in order to match the correct asset allocation for your investment goals and risk profile, we can position you at the efficient frontier – that is the optimum point for maximising gains and minimising risks, given the appetite for investment risk that we have identified with you.

You can see on the chart that portfolio A could achieve the same potential returns as portfolio B, but for less risk.

We will design an investment solution that positions your portfolio on the efficient frontier, at the right point for you.



Diversify

Just because something is a good idea today doesn't mean it will be tomorrow. Investing in just one idea can therefore potentially lead to big problems.

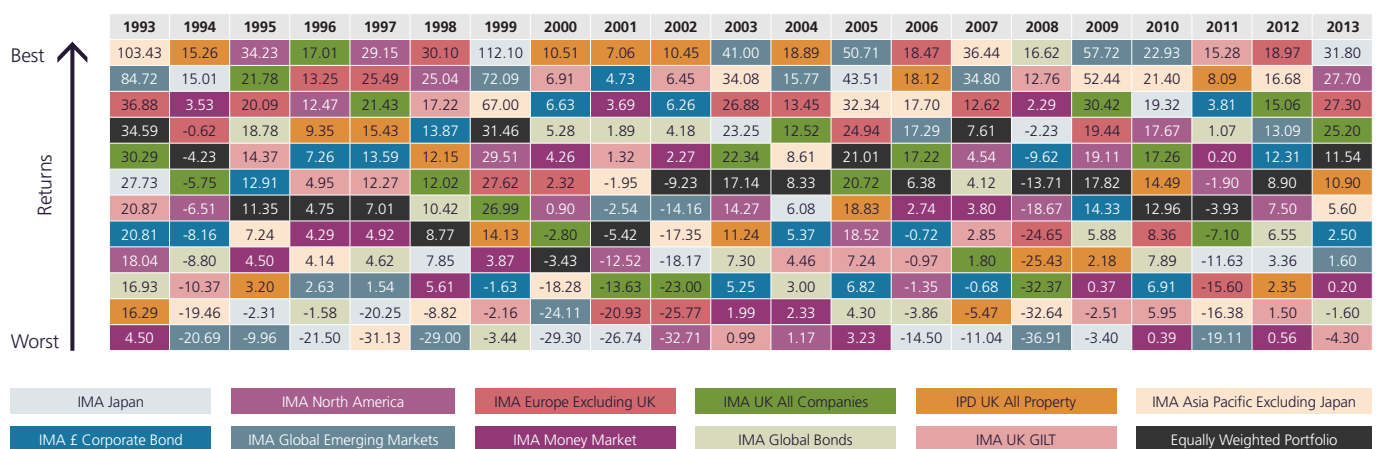
We aim to build a wide ranging investment solution for our clients, investing in a diversified portfolio – a broad selection of assets which meet your own attitude to risk and stated investment goals.

In other words, we won't put all your eggs in one basket.

The Benefits of Diversification

The chart below shows that when it comes to picking asset classes (the different types of investments you could put your money into) it is almost impossible to predict a winner. You can see how no individual asset class consistently outperforms the others.

The dark grey boxes on this chart represent a diversified portfolio that invests equally in all the other asset classes – in other words, spreads the eggs across many baskets. We will build a diversified portfolio that is designed to meet your investment goals whilst working within your risk profile.



Discrete year total returns. Sources: Lipper, F&C.

A choice of investment approach

There are others that believe that with extra knowledge and research, market movements can be maximised for a better return (an 'active' approach).

There are people who believe that markets are efficient, that 'demand and price' will balance themselves to a natural equilibrium, and so it is not easy to beat the market average (known as taking a 'passive' approach).

As we do not have a way to see into the future, we cannot guarantee which approach is the best, although we can offer either, or a blend to suit your own attitudes and feelings.

Taking a more active approach	Taking a more passive approach
<p>You may like the idea of an investment specialist working on your behalf to try to beat the market.</p> <p>You understand that there is no guarantee that they will beat the market.</p> <p>In order to get the chance of enhanced performance, you may have to pay more for this service.</p> <p>You recognise that for that service, fees may be higher than taking a more 'passive' approach.</p> <p>Should the specialist not beat the market at any one time, you may question the value of their work.</p>	<p>You may not believe that an investment specialist can beat the market.</p> <p>You understand that by definition, your investment will not be a top performing or upper quartile fund.</p> <p>You are unwilling to pay more for the chance to outperform markets, and do not want the disappointment of possibly underperforming the market in a given period.</p> <p>You would rather invest at lower costs and be reliant on market forces driving performance.</p> <p>You may look back in the future and feel disappointed that your average return was not that of other funds.</p>

Tax wrapping your plans

The Government wants you to save and invest for your future, and so has allowed tax wrappers to help. A tax wrapper is a financial product, such as a pension, Individual Savings Account (ISA) or bond, within which your investments can be held, and which usually has certain tax benefits.

- ∞ Some give you back tax that you have already paid on money when you invest (e.g. pensions)
- ∞ Some allow you to not pay tax on the money you make (e.g. ISAs)
- ∞ Others allow you to delay paying tax till a later date, when it may be more beneficial for you (e.g. on and offshore bonds)
- ∞ It can also be in your best interests to invest directly into a fund.

The government tends to review these schemes every year, which means it is impossible to say one is better than another without individual advice.

We will recommend the most effective way to hold your investments, whether held in single or joint names, and often with a combination of available schemes. Sometimes we simply recommend you move money from one to another to take the maximum advantage of the current incentives and allowances.

The choice of tax wrapper affects what tax you pay on the investment funds inside, and should not affect how well the actual investment does.

Pension
Structured Products? ISA
Investment OEIC
VCT Onshore EIS
Hedge
Unit EIS
Offshore

Where you hold your plans

Over time, many of us accumulate different investment plans and products that hold and administer our monies (such as ISAs, pension plans, investment bonds and so on). The innovation of technology has evolved the way your monies can be held, namely through things called 'Platforms'. There are pros and cons for platforms. While there are many tangible benefits for using a platform, it is not always in every client's interest to hold all or any of their monies on a platform. We will review your existing provisions and make recommendations as to whether you should consider holding your assets on a platform.



Clients who may benefit from a Platform:-

- **Often do not like receiving lots of paperwork and statements**
- **Enjoy the benefit of having access to view their investments online when they want to**
- **Often tend to have more than one financial product or tax wrapper**
- **Want their financial planner to advise them on all their investments**
- **Like the idea of one single place to access to see many different plans**



Clients who may benefit from holding individual products:-

- **Are unconcerned about receiving paperwork**
- **Are not worried about having to log on to different provider websites**
- **May only need a single product and don't expect to have more**
- **May only want to buy a product and not have an on going relationship with their financial planner**
- **Like the idea of having different products with different household names**

Rebalancing your monies

We only work with leading fund managers who pass our rigorous selection criteria. An independent investment committee monitors the activity of our selected fund management partners to ensure that they are investing your money as they have said they will.

We will ensure that your investments are rebalanced – so that over time your investments do not drift away from what we have agreed with you.

We can provide ongoing updates regarding the performance of your investments and can agree a schedule of regular reviews in the style and frequency to suit you.



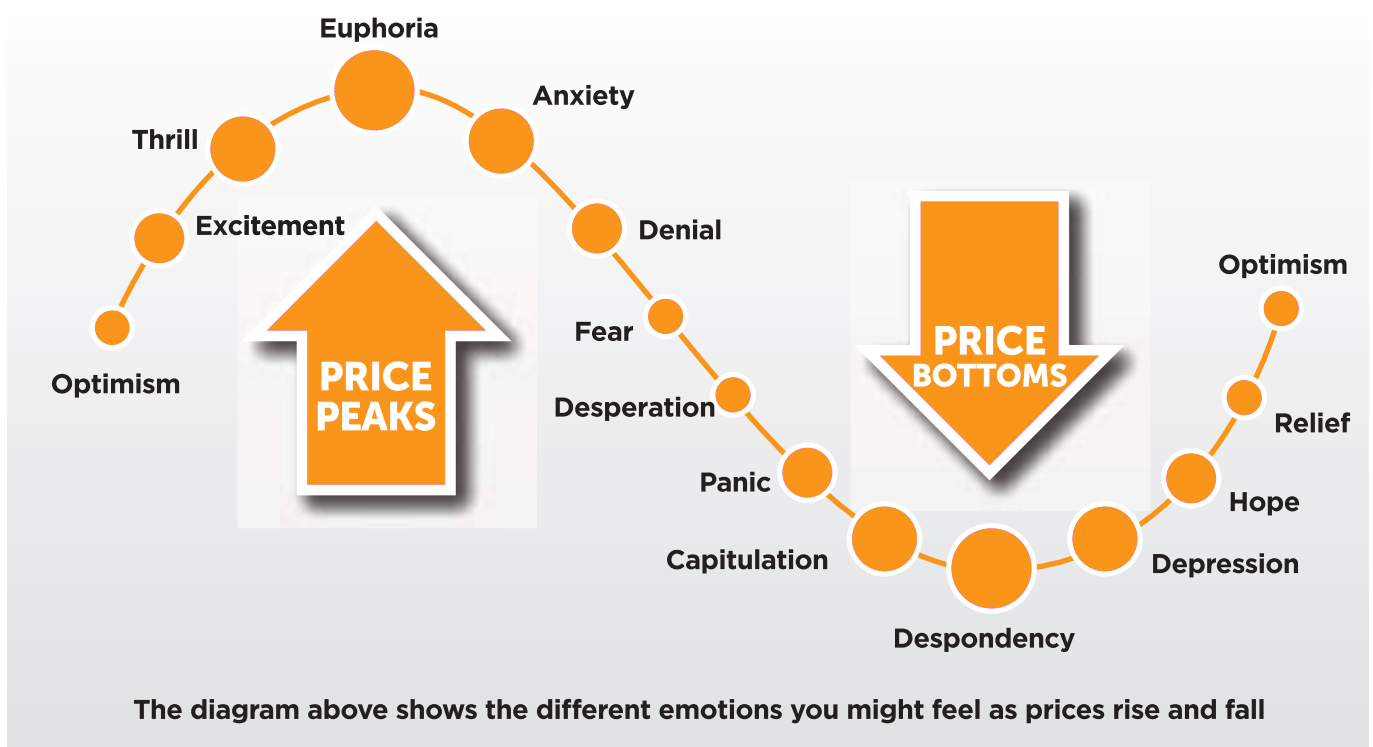
Keeping YOU on track

It is human nature to buy an investment that is 'doing well' and not buy an investment that is 'doing badly'; of course past performance really is no guide to future returns.

This may lead you to want to buy at the market peak when prices are high and sell during market lows at a loss.

This emotional response can be highly detrimental to your investment portfolio. This is why we put in place a clear plan to ensure your investments stay within your risk profile and tolerance to loss, focusing on your long term goals.

Cycles of market emotions?



There are budget announcements from the Government that affect income, capital gains, inheritance and welfare each tax year. It is important that you take advantage of our expertise to ensure that:

- you do not lose out on any valuable allowances that once they are gone, are gone forever (e.g. ISA)
- ensure you do not miss out on any monies or reliefs owed to you
- your current plans are still in the correct shelter and ownership name, so that you legally and ethically do not pay too much tax when you want to spend that money

In summary

Investing can be daunting, complicated and shrouded in uncertainty. Our investment process has been designed by leading experts to be robust yet clear, enabling us to build a solution that meets your expectations.

We will work with you to find out what risk you are willing to take and then build an investment solution within these boundaries using leading fund managers to meet your goals. We will then make sure that your investments stay on track to achieve your aims and adapt your plans as necessary should your goals and aspirations change over time.

Investing your money is one of the most important decisions you will make.

It is best to do it with our expert guidance and under no illusions whatsoever.



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