



 Smith &
Williamson

Charities

Dedicated investment
management service
for charities and trustees





TURN TO CLEAR VISION



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PERFECT OVER OPTICAL CO.

Our investment management services for charities

We have a specialist team of investment managers working within the charity sector, offering pragmatic solutions for trustees. We understand the challenges and pressures faced by those within the charity sector and appreciate the importance of finding the right adviser.

We act for a wide range of charitable interests and professional trustee boards.

We believe that having a personal relationship and fully understanding your needs is the best way we can ensure a portfolio matches your charity's requirements. In addition to delivering investment performance, we offer a dedicated client service and administration – helping you to achieve your strategic objectives.

Our investment process is designed to provide investment managers with the best information, to create the most appropriate charity portfolio for you, rather than simply shoehorning the portfolio into risk boxes. We understand the additional requirements of professional trustees and offer a comprehensive and high standard of reporting and performance analysis.

We are fiercely proud of being a private business independently owned by our partners, staff and former employees. This ensures that the objectives of our clients and key staff are strongly aligned allowing us to think long-term and do everything to meet our charity clients' needs.

We look forward to welcoming you as a charity client and working with you for many years to come.



David Cobb

Head of Investment Management and Banking
Smith & Williamson Investment Management LLP

Benefits to you

We adopt a personalised approach, which means your charity's investment manager has sole responsibility for all decisions made on the charity's behalf.

Through our rigorous and proven investment process we provide our managers with the guidance and tools needed to help meet your objectives. We build bespoke portfolios in accordance with your investment objectives, requirements and approach to risk. We can also provide a bespoke benchmark for performance measurement.

Clearly understanding your attitude to risk is a fundamental part of our investment process. We believe that managing risk is an integral part of portfolio construction and deserves the same consideration and commitment as fund management.

Using a centralised investment process can often result in stifling talent. We believe our investment approach nurtures and encourages talent to flourish.

We understand that as a professional trustee you will have additional requirements that will need to be met, so we are able to offer a comprehensive and high standard of reporting and performance analysis.

Your investment team will attend trustees' meetings as and when required.

As a licensed bank, we can provide accounts in all major currencies and cheque book accounts in sterling. We also provide fixed interest deposits, electronic transfers, foreign exchange services, standing orders and direct debits.

You will be able to draw on a wide range of expertise from the services offered by us, including accounting, people management and tax advice.

"The Mission to Seafarers in Northern Ireland have been using Smith & Williamson's Northern Ireland office, Cunningham Coates, to manage our charitable investment portfolio for over 20 years. Cathy and her team have delivered a strong investment performance with the Mission's investment funds in relation to the market. Cathy responds promptly and clearly to our queries

in a manner which is easy for our committee to understand, thereby providing confidence that our charity's investments are being well managed in accordance with our investment strategy."

Treasurer
Mission to Seafarers, Northern Ireland



Charity expertise

- Specialist teams in London, Belfast, Birmingham, Bristol, Dublin, Glasgow and Jersey
- Philosophy of forging close working relationships
- Our actions remain synchronised with your requirements
- Prompt production of reports, clear performance statistics and attendance at trustees' meetings
- We regularly attend charity conferences and host topical seminars and trustee training events.

About us

As a privately owned firm, we can match our key personnel with your specific objectives. So the expertise of our people better enables us to anticipate your needs – and to go above and beyond them.

Smith & Williamson is managed by our partners and staff, providing investment, accountancy, tax, financial advisory and banking services across the UK, Jersey and Ireland. We are one of the larger non-quoted charity and private client wealth managers operating in the UK.

Our investment management team takes great pride in providing bespoke investment management services and developing close business relationships with our clients.

Our specialist charities teams in London, Belfast, Birmingham, Bristol, Dublin, Glasgow and Jersey are an integral part of our business and we manage around £1.9bn of charitable funds (as at 31 March 2017).

We look after a wide range of charitable interests for trustees, the needs of professional trustee boards and more than 405 charities.



Why Smith & Williamson is different

- Charity specialists with a dedicated team
- Multi-office expertise with teams in London, Belfast, Birmingham, Bristol, Dublin, Glasgow and Jersey
- Bespoke portfolios are managed to your own requirements
- Portfolios are constructed using segregated equities and bonds together with pooled funds where appropriate
- Specific ethical requirements can be accommodated
- Set investment strategy working closely with trustees
- Investment meetings will be attended by your dedicated team
- Trustee support (training, conferences and newsletters)

“We moved the management of our charitable funds to Smith & Williamson in early 2012. We have been delighted by the service that we have received from John and his team. They respond quickly to any queries and are always friendly and helpful. John attends our quarterly finance and investment committee and is always able to respond to detailed questions about our portfolio as well as give us an excellent, succinct and easily understood overview of world markets and current factors of influence.”

**Chief Executive
Quartet Community Foundation**



Investment proposition

Each one of our clients receives a bespoke approach, both in the delivery of investment advice and the day-to-day management of their assets.

Your mandate is key to the construction of your portfolio. We work hard to ensure we have fully understood your charity's objectives, risk tolerance, time horizon, asset preferences and any requirements for the distribution of capital or income on an ongoing basis.

Ethical preferences are becoming increasingly important for trustees, and we adopt a responsible investment approach, carefully selecting companies that don't conflict with ethical principles.

We use the services of an ethical research provider that screens companies in terms of environmental, social and governance performance. Vigeo Eiris is used to verify that companies in the portfolio reflect a charity's aims and objectives.

We have four distinct strands to our proven investment process: monthly tactical asset allocation meetings; weekly investment meetings; daily morning meetings; and stock and sector research.

We feel our investment managers are best equipped to understand and reflect your requirements as they deal with them on a day-to-day basis. Responsibility for the ongoing decision-making, including suitability of the portfolio, remains with the investment manager.

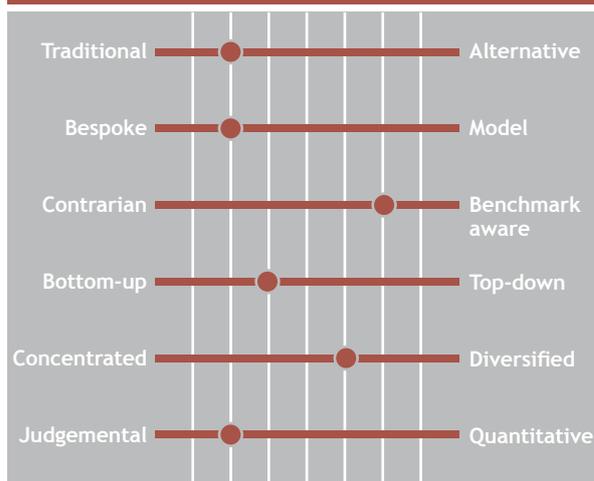
We believe we offer a strong risk-adjusted track record, as reflected in our independently assessed performance records.

Portfolio risk management

- Consideration of your long-term strategic and short-term tactical requirements
- Specific asset allocation risk to reflect economic and business cycles
- Industry and company risk, including review of management
- Monitoring individual portfolios and reviewing risk profiles
- Ongoing consideration of asset classes and their relative performance and interaction (including volatility and correlation, liquidity and counterparty risk)

Style assessment table

Our 'house-style' has been assessed by Asset Risk Consultants (ARC), who have summarised it in the diagram below.



Source: ARC as at June 2016



“I am a trustee of two charities managed by Smith & Williamson Investment Management in Birmingham; Harborne Parish Land and The James Lloyd Almshouses, which are totally different in terms of size and objectives. Adrian and his team have a keen sense of understanding our challenges, showing excellent flexibility in developing different solutions to seemingly common stockmarket investment issues to meet our differing requirements.”

**Trustee for Harborne Parish Land
and The James Lloyd Almshouses**

Other services

In addition to our expertise in investment management, we provide a full service and reporting function.

- Monthly or quarterly valuations
- Personalised quarterly portfolio reports
- Relevant performance statistics
- 24 hour online portfolio valuation
- Contract notes/bank statements
- Year end tax report
- Investment income collection and distribution
- Nominee service
- Direct access to investment team
- As a licensed bank we can provide accounts in all major currencies

We can also help with general advice on a wide range of charitable matters.

We recognise that we operate in a competitive environment and have to demonstrate value for money, both in terms of fees and service. Our charges are transparent and competitive and we are confident that our pricing represents excellent value.

Key risks

- Investment does involve risk. The value of investments can go down as well as up. The investor may not receive back in total the original amount invested.
- Past performance is not a guide to future performance.
- Rates of tax are those prevailing at the time and are subject to change without notice. Clients should always seek appropriate tax advice from their financial adviser before committing funds for investment.
- When investments are made in overseas securities, movements in exchange rates may have an effect on the value of that investment. The effect may be favourable or unfavourable.
- Investing in alternative assets involves higher risks than traditional investments and may also be highly leveraged by using speculative investment techniques, which can magnify the potential for investment loss or gain.
- Investments in emerging markets may involve a higher element of risk due to political and economic instability and under-developed markets and systems.
- Please note that bond funds may not behave like direct investments in the underlying bonds themselves. By investing in bond funds the certainty of a fixed income for a fixed period with a fixed return of capital is lost.

Contact us

If you would like to find out more about how Smith & Williamson can help you, we would be delighted to hear from you.

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Our charity sector expertise includes:

Animal welfare

Armed forces

Arts & Culture

People with disabilities

Economic

Education

Environment

Housing

Medical

Poverty

Religion

Sport

Youth

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