



CHN

FINANCIAL CONSULTANCY



OUR INVESTMENT APPROACH

Helping you understand your investment options. For use with your Financial Consultant.

FINANCIAL ADVICE YOU CAN TRUST

*Helping to secure
your financial future*



CHN

FINANCIAL CONSULTANCY

Our approach... an investment solution that
suits your circumstances.

We appreciate that everybody is unique and that
how, and with whom you invest your money, is one
of the most important decisions you will make.

We offer a comprehensive advice service that
enables us to support your individual needs so that
you can invest with confidence. Here is a guide of
how we will support you to help you achieve your
investment goals.

GETTING TO KNOW YOU

GETTING TO KNOW YOU

It is important that we get a full picture of your financial circumstances and plans for the future.

WE WILL:

Ask you about your current circumstances and your financial goals. You will then be asked to complete a short questionnaire which is designed to help us understand your attitude to risk.

We use the questionnaire to create a suggested “risk profile” based on your answers. We will discuss the results with you, and together, decide if the risk profile is appropriate for you and your particular needs. This includes how much potential loss you are willing to accept in return for potential gains, as well as considering your capacity for loss according to your circumstances.

BUILDING A PLAN

Once we understand your needs, and have agreed the amount of risk you are willing to take, we will build a comprehensive plan to help you achieve your goals.

This may include the following:

- Using award winning investment analysis tools to show how your current investments match the risk profile we have agreed.
- Assessing any existing investments you have and identify those you should keep and those which do not match your aims and attitude to risk.
- Selecting an investment solution which will match your needs, now and in the future.
- Investing in the most tax efficient way, dependent on your circumstances.

The investment solution we recommend will match your needs. It will operate within clear boundaries and remain the most appropriate fit for your circumstances. This helps to avoid what is known as “investment drift” – a situation where your investments start off meeting your needs but then change over time as different assets perform at different rates.

IMPLEMENTING THE PLAN

Once we have agreed on an approach we will implement that plan for you and ensure that the process of arranging the necessary investments is as hassle free as possible.

WE WILL:

- Walk you through all the necessary paperwork and ease the administrative burden.
- Deal with reputable investment providers that we know and trust.
- Help you to select investments that are suitable for you.

REVIEWING YOUR PLANS

Agreeing and implementing the appropriate financial plan is only the beginning of the process. Your circumstances and goals may change over time.

WE CAN:

- Provide you with updates on your investments.
- Agree a regular schedule for reviews if you require them.
- Help you to make sure that as your plans and goals change over time, your investments continue to match your needs.

OUR INVESTMENT ETHOS

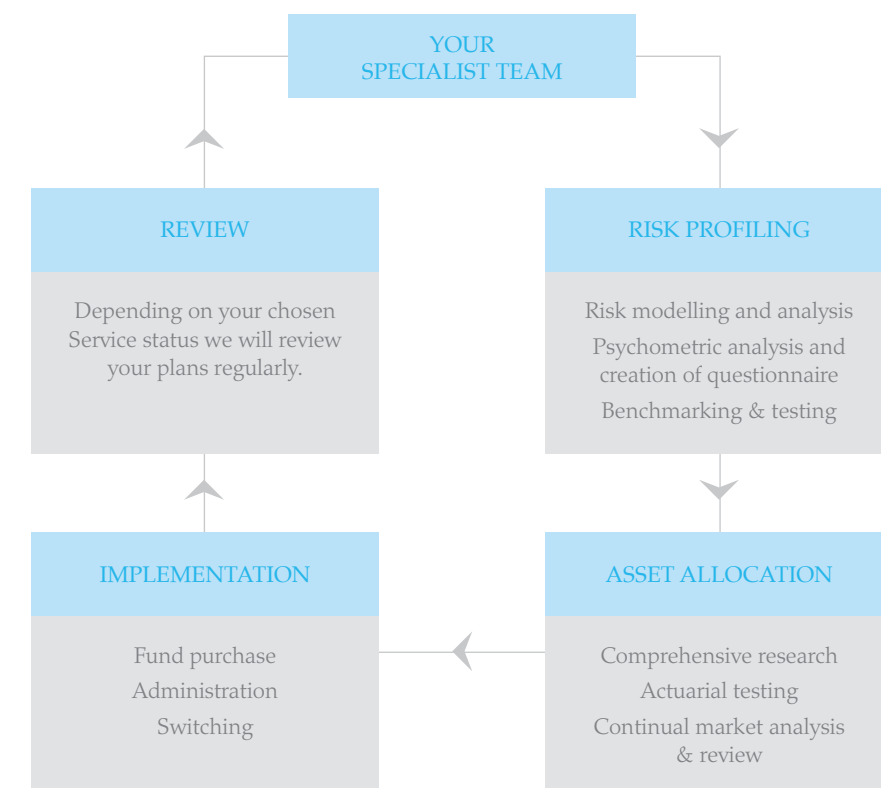
Our job as financial consultants is not to guarantee future returns or to try and second guess which investments will perform best – after all, we don’t have a crystal ball. Our job is to use our knowledge, skill and experience to maximise the chances of you achieving your aims and objectives.

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

- We will find out what is important to you and build a plan to meet your goals.
- That we will invest your money to best meet your goals, not simply speculate on the latest trends.
- 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, reputable and proven 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

MAKING THINGS CLEAR

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

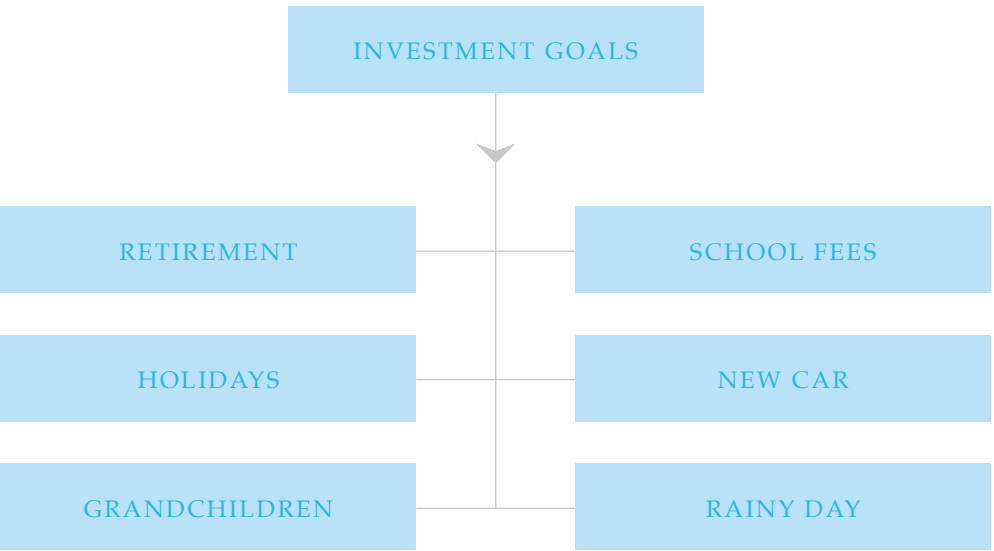
We believe in speaking plainly, not trying to confuse you with jargon or technical terms.

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, some money you may want to keep 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.



we aim to cut through some of the common illusions and misconceptions.

MAKING THE RISKS CLEAR

At the start of our investment process we aim to get to know you, your financial circumstances and your goals. We 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 most suitable investment strategy for you, as a first step 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.

The simple yet advanced award winning planning tools* we use 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.

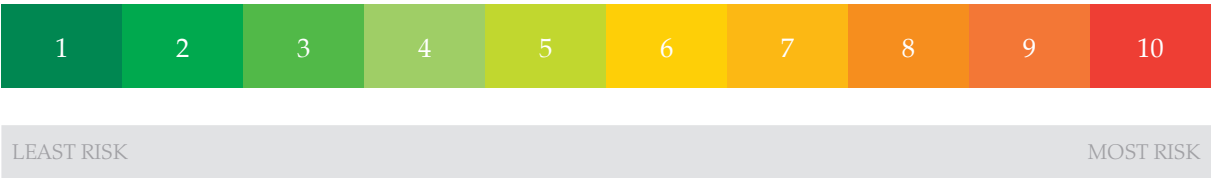
Crucially we will then discuss this with you using clear monetary values, so you get a real feel of how the investment journey may be as values fall and rise over time.

ANALYSIS OF YOUR CURRENT INVESTMENTS

Seeing clearly in an ever changing investment environment can be challenging. 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 the investments 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.



The diagram on the next page shows the make up of the different risk profiles.

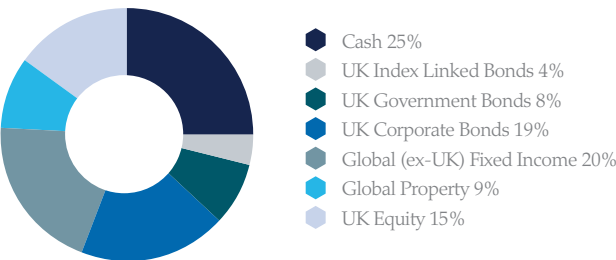
CHOOSING THE RIGHT RISK PROFILE
AND ASSET ALLOCATIONS

Benchmark Asset Allocations

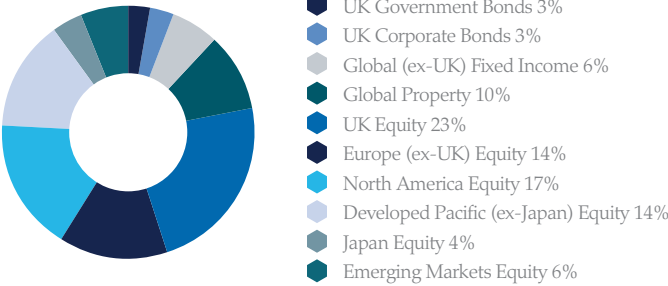
Asset Allocation 1



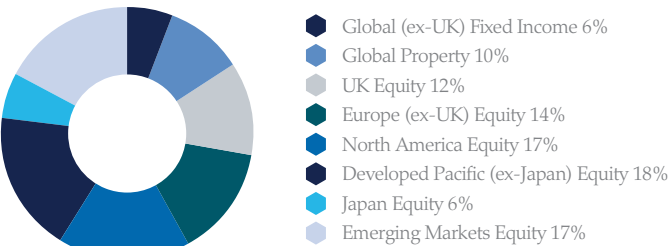
Asset Allocation 2



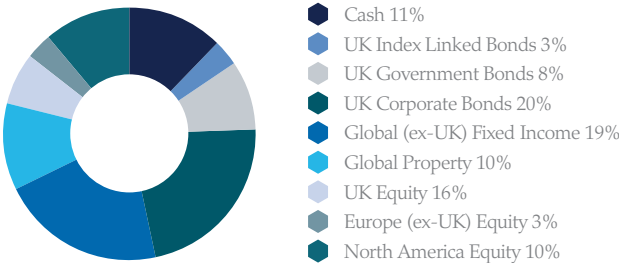
Asset Allocation 7



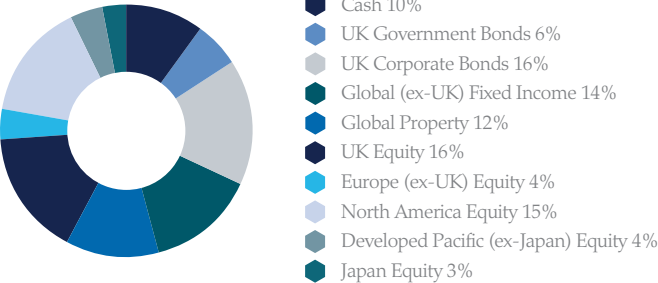
Asset Allocation 8



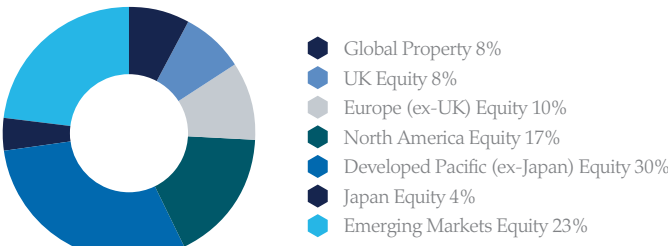
Asset Allocation 3



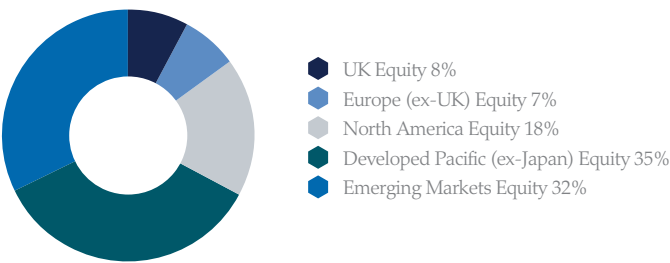
Asset Allocation 4



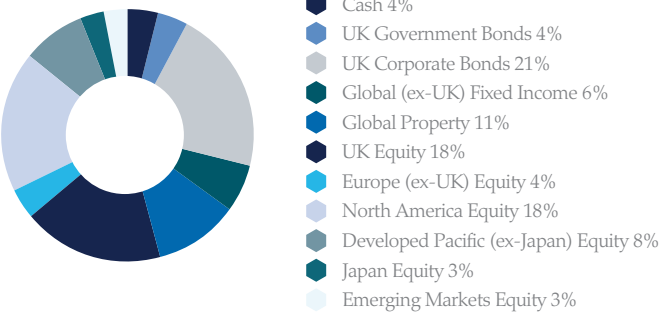
Asset Allocation 9



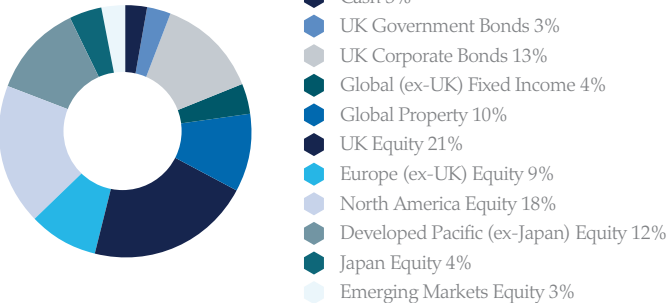
Asset Allocation 10



Asset Allocation 5



Asset Allocation 6



The above benchmark asset allocations represent the expected long term positions for each risk profile. Actual asset allocations can change from time to time.

The information presented should act as a guide only and does not constitute advice or recommendation. These investment strategies may not be suitable for everyone.

Source: Centra, Asset Allocations shown as at 3rd October 2018.

YOUR FINANCIAL PLAN

WIDE RANGING SOLUTIONS

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

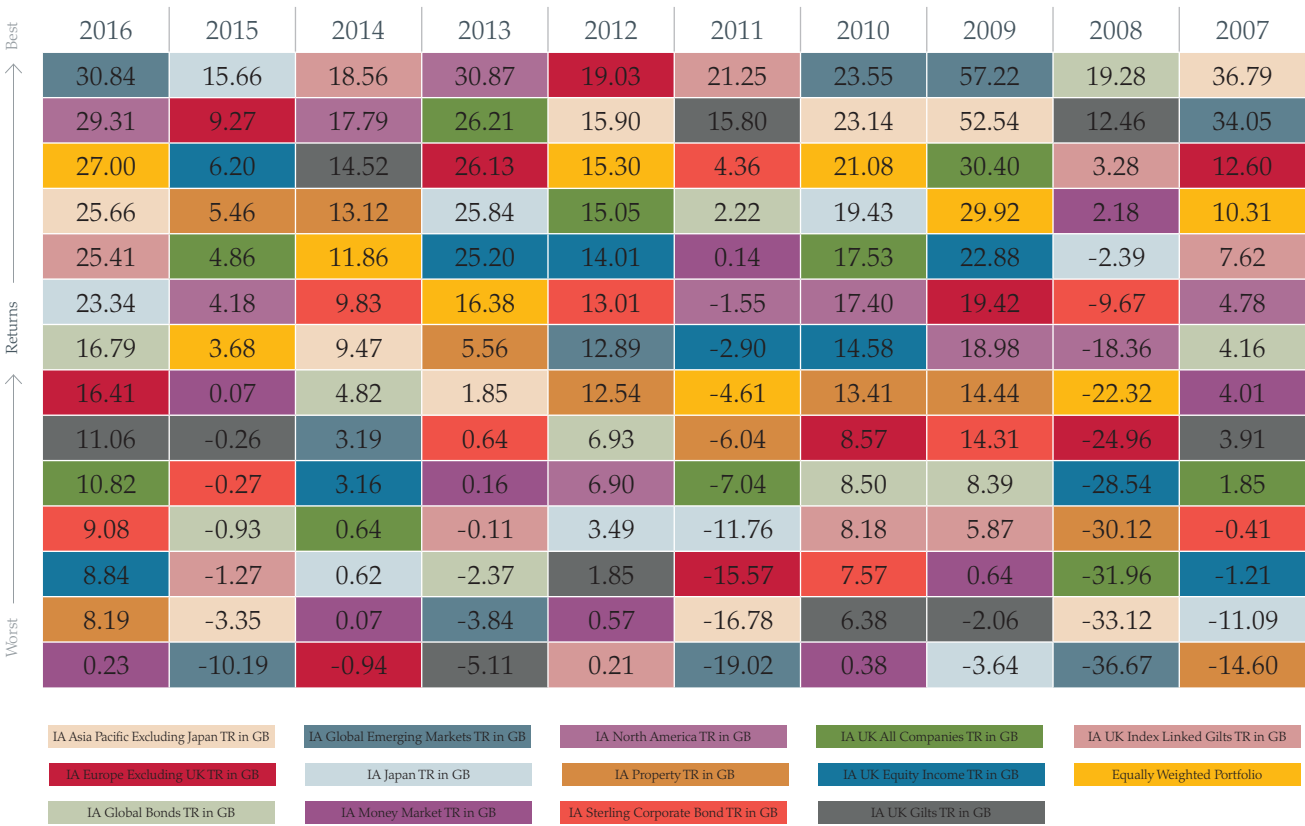
The chart on page 11 shows that when it comes to picking asset classes (the different types of investments you could put your money into) it is almost impossible to predict a winner. You can see how no individual asset class consistently outperforms the others.

The black 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.

YOUR FINANCIAL PLAN

THE BENEFITS OF DIVERSIFICATION

You can see in the chart below that no single type of asset is consistently best year in, year out. It is impossible to predict which asset class will perform best over the medium to long term, so we build a wide ranging portfolio for you.



SOURCE: FE ANALYTICS. THE FIGURES REFER TO PAST PERFORMANCE. PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS.



CHOOSING THE MOST SUITABLE INVESTMENT

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

ACHIEVING YOUR GOALS

What you don't want when it comes to investing is 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 don't try to find funds to meet your goals and just accept the best fit available.

We work with leading fund managers to create bespoke 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 aim to position you at the efficient frontier - that is the optimum point for maximising gains and minimising risks.

ASSET ALLOCATION

Asset allocation is simply the mix of investment types that you hold. It is the most important factor affecting the level of risk and likely return that you might face when investing over the long term. If you hold most of your money in cash then your chance of losing money is low but so will any returns be. Interest payments are often below the rate of inflation. If you invested most of your money in stocks and shares, the chance of losing money in the short term is higher, but in the long term the chances of a greater return are also higher.

The Asset Allocation describes a portfolio construction that may deliver an optimised return for an investor's individual level of risk based on our analysis of the performance and volatility of these generic asset classes over time.

INVESTMENT SOLUTIONS

When thinking about the most suitable investment solution for you, there are many different options to consider. We will review all options and recommend only those which meet your own individual needs.

By way of example, some of the solutions most frequently used are listed below:

1	PASSIVE FUNDS	Funds from some of the UK's leading asset managers, aligned to your risk profile to provide a cost effective solution.
2	ACTIVELY MANAGED FUNDS	Funds managed by some of the most respected names from many of the top investment houses in the UK. Fund managers will actively re-balance the funds on a regular basis to keep the asset allocation within defined parameters, and avoid investment drift. These are also aligned to your risk profile.
3	MODEL PORTFOLIOS	Model portfolio services are a guided investment solution. Your funds are allocated to a range of risk graded investment strategies. Allocations are regularly reviewed by our Investment Committee which recommends fund switches for you to consider and accept.
4	BESPOKE PORTFOLIOS	As independent financial consultants, we can offer financial advice and products from the whole of the market. Our unbiased approach ensures that we can develop a bespoke portfolio tailored to meet your financial needs and goals.
5	DISCRETIONARY FUND MANAGEMENT (DFM)	DFMs give you access to the investment expertise of professionals who will build and manage your portfolio, and take full responsibility for your investment decisions. They are committed to preserving and growing your investments.

OUR INVESTMENT COMMITTEE

Successful investment is critical to your future financial well-being, but it is a field which presents a unique problem: future performance is unpredictable.

As a result, if you choose someone to manage your money, no matter how successful they have been in the past, how can you be sure that you have made the most appropriate choice, and that it will continue to be the most suitable choice in future years?

Our Investment Committee oversees our investment approach, regularly reviewing the performance and suitability of investment solutions across the marketplace. Membership includes our Partners, our Research Manager and Senior Consultants. Individually they bring a wealth of knowledge and experience to the table; collectively they form a formidable committee, sharply focussed on your best interests.

We may also be aided in the research and monitoring of investment managers by companies such as Rayner Spencer Mills who are an experienced, professional and trusted independent research company, formed in 2004. They have a team with many years experience in a variety of roles across the financial services market sector. Through their knowledge and

extensive experience we will ensure you receive pragmatic, realistic solutions that reflect what is happening within the marketplace.

Rayner Spencer Mills work with the fund management groups, providers and platform operators to provide independent research and consultancy. Their Rated Fund Service is increasingly being used as a badge of quality in the selection of mutual funds.

INVEST WITHOUT THE ILLUSIONS...

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 can 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.

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.

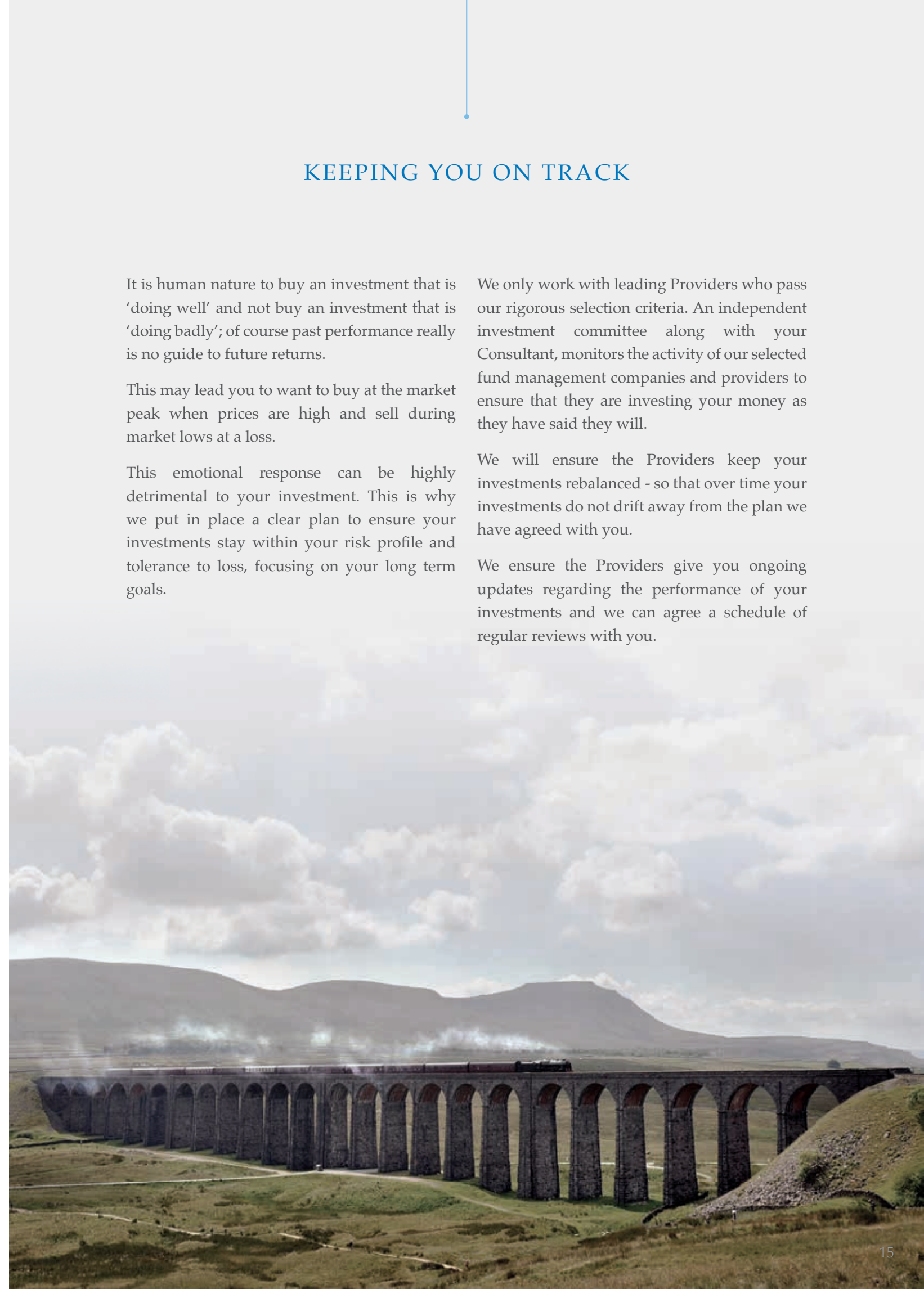
This may lead you to want to buy at the market peak when prices are high and sell during market lows at a loss.

This emotional response can be highly detrimental to your investment. 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.

We only work with leading Providers who pass our rigorous selection criteria. An independent investment committee along with your Consultant, monitors the activity of our selected fund management companies and providers to ensure that they are investing your money as they have said they will.

We will ensure the Providers keep your investments rebalanced - so that over time your investments do not drift away from the plan we have agreed with you.

We ensure the Providers give you ongoing updates regarding the performance of your investments and we can agree a schedule of regular reviews with you.



YOUR SPECIALIST TEAM



HOW WE AIM TO HELP YOU FURTHER

INVESTMENTS

Are you getting the most effective return on your investments? Unit Trusts, Bonds or Individual Savings Accounts (ISAs) could provide flexible, tax efficient means of accumulating capital or generating regular monthly income.

SAVINGS

We all have the things we want to save for... weddings, a world cruise, school or university. If you don't put money away in a regular, disciplined way, who else will?

ESTATE PLANNING

You may be concerned about who will inherit your estate and the impact of inheritance tax. How would you leave your estate to your chosen beneficiaries in a tax efficient way?

PENSIONS

The State will provide! It will provide, but only in a limited way. Your employer may help, but what if you don't have a company scheme? Even if you do, will it give you enough to live on?

COMPANY PENSIONS

Are you looking to set up a pension scheme for you and your employees? Maybe an Auto Enrolment or Occupational Scheme. We aim to advise you on the most efficient route and the most appropriate provider to suit your requirements.

PROTECTION

The need for protection through life assurance is of paramount importance. How would your family cope after your untimely death?

CRITICAL ILLNESS AND INCOME PROTECTION INSURANCE

Suffering a serious illness or injury before you retire may result in you being unable to work. Could your family remain financially secure without your income?

MORTGAGES

Are you looking to purchase a new property? Is your current mortgage rate coming to an end? With so many different lenders and deals on the market, choosing the right one can be daunting. Our mortgage consultants use up to date technology to source the most suitable solution for you.

As a mortgage is secured against your home, it could be repossessed if you do not keep up the mortgage repayments.

EQUITY RELEASE

Are you over 55 and would like to look at releasing the equity from your home? Releasing equity from your home might be just the answer to raising the money you need without the need to move. It is a big decision and there are many aspects to consider, such as any effect it may have on your tax status or your entitlement to some means tested benefits. Releasing equity also means your estate receiving less and, depending on how much you release, it could receive nothing from the sale of your own home. Home plans and lifetime mortgages are complex products.

EQUITY RELEASED FROM YOUR HOME WILL BE SECURED AGAINST IT.

WILLS

Having a will professionally prepared is one of the most important tasks we ever have to complete. This is the only document to protect our families and yet, so many of us put it off by saying "I will do it tomorrow". But what if tomorrow never comes?

Assigning roles such as Powers of Attorney help making a will now save a great deal of hassle.

BUILDING AND CONTENTS INSURANCE

We have access to a range of companies we can use to provide quotes for Buildings and Contents or Contents only insurance, including cover for Landlords on Buy-to-Let properties.

THE FINANCIAL CONDUCT AUTHORITY DOES NOT REGULATE TAXATION ADVICE, ESTATE PLANNING, SOME FORMS OF MORTGAGES, LOANS AND SCHOOL FEE PLANNING, AND SOME ASPECTS OF AUTO ENROLMENT.

Notes

LEGAL NOTICE

The information in this document is provided to clients of CHN Financial Consultancy as a guide only, and does not constitute giving advice or recommendation.

CHN Financial Consultancy is a trading style of Clayton Holmes Naisbitt Financial Consultancy LLP which is authorised and regulated by the Financial Conduct Authority:
Financial Services Registration No 485351.

Clayton Holmes Naisbitt Financial Consultancy LLP is a limited liability partnership registered in England: Company number OC338091, who's designated members are Lee Clayton, Richard Holmes, Paul Naisbitt and Clayton Holmes Naisbitt Limited.

Registered office: 1 Victoria Court, Bank Square, Leeds, LS27 9SE
The Financial Conduct Authority does not regulate Taxation Advice, Estate Planning and some forms of Mortgages, Loans, School Fees Planning and some aspects of Auto Enrolment.



CHN

FINANCIAL CONSULTANCY



Chartered

HEAD OFFICE:
CHN House, 1 John Charles Way,
Gelderd Road, Leeds, LS12 6QA

T: 0113 387 8240
E: info@chnfc.co.uk
W: www.chnfc.co.uk

Authorised and regulated by the Financial Conduct Authority