



Our Investment Solutions

Sophisticated methods, defined processes



Heritage Financial Solutions Ltd
Investments | Pensions | Protection | Mortgages



Your Investment Selection

Sophisticated methods, defined processes

Choosing the right investment is never easy. The investment world is increasingly complex. With thousands of funds to choose from and different types of investments (from bonds to equities), the choice can be daunting. Without expert help it is very difficult to judge what may be right for you.

Heritage Financial Solutions Ltd offer an investment solution that is tailored to you. From discretionary investment solutions to low cost passive funds, we can help match your objectives to the right investment portfolio.

Our Investment Committee – An experienced team

The Investment Committee meet every quarter to discuss a whole host of areas such as our model portfolios, asset allocation, the use of different asset classes, our panel of discretionary fund managers and choice of investment platforms.

The Investment Committee is headed by Nick Middlehurst, who has over 30 years experience in financial services. He is joined by Chris Bailey, a former London based fund manager who was awarded ‘Top 40 under 40’ by Citywire, along with two professional advisers who have a wealth of experience in financial services, stockbroking and investment management.

Why we use different asset classes

The foundation of our investment approach is preserving your wealth – we aim to reduce the risk you are exposed to while maintaining the potential for growth. The essence of this approach is diversification. This does not eliminate risk or guarantee returns in your portfolio; you could still get back less than you invested, but it does look to reduce volatility, smoothing out the peaks and troughs to produce a more even investment performance.

We have all heard the old adage ‘don’t put all your eggs in one basket’ and this, at its most basic level, is what diversification is all about.

Fact Finding Process

Getting to know you, goals explored

The logical starting point of the advice process is for us to get to know you. Our fact find is wide-ranging to ensure that the advice we will give you is soundly based. As well as exploring your personal and financial circumstances, we want to know who you are, what your attitudes and values in life are.

Having established your goals, we need to establish your level of investment experience and knowledge, as well as what level of growth you expect, your attitude to risk and how long you are looking to invest for. We need to also consider issues such as access to your money and the level of flexibility required in the investment selection and your personal circumstances, including your tax position. It is also important that any investment recommendation we make is as tax-efficient as possible.



Selection of 'Tax Wrappers' – ways to hold your investments

Once we have established your financial goals we can begin to determine the most appropriate financial product(s) to meet your needs. A tax wrapper is a financial product, such as a pension, ISA or bond, within which your investments can be held and which usually has certain tax benefits.

Traditionally, investors might have held a number of products from a variety of different companies. The downside of this is that it can create lots of paperwork, arriving at different times of year, in different formats. This can make it complicated for you, the investor, to manage and monitor your portfolio, as a whole, to ensure that your investments are performing as expected and remain in line with your risk profile.

However, for the majority of our clients we recommend investing through an 'investment platform'. This allows you to hold, monitor and manage all of your investments in a single place. In just the same way that supermarkets changed the face of shopping, the investment platform offers improved convenience, choice and value for money. It also provides online technology that helps us assess your attitude to investment risk and then put together a portfolio that's most likely to behave as you'd expect.



Our Investment Philosophy

Your money, our expertise

You can spend a lot of time carefully researching managers and selecting individual funds to invest in, however, where is the solice in holding the best performing fund in the worst performing sector? A large part of an investments return is due to its asset allocation.

The key factor in successful investing is not individual fund selection, or picking the best performing manager that week, it's about getting the right mix of assets across your portfolio.

Why is asset allocation important?

Asset allocation is the process of deciding how much of your portfolio should be invested in the different types of assets and regions across the globe. By identifying the right combination of assets and regions against your risk tolerance, we can reduce risk and increase the potential performance of your investment portfolio.

How 'risky' are you?

We all deal with risk every day but we all have a different way of assessing and dealing with it. Each time you leave your bicycle, there is a risk it could be gone when you get back. You therefore take measures to reduce this risk – some of you may use a padlock, some may remove the wheel or saddle. Risk is subjective.

Minimising investment risk is not about hiding your money under the mattress – it's about understanding the level of risk you are comfortable taking and getting the best return possible for that level of risk.

Understanding your attitude to risk

At Heritage, we use a market leading risk profiling tool to assess your individual risk tolerance. We then assess this against your capacity for loss and your overall objectives. Your adviser will then use this information to recommend a suitable course of action.

Heritage Model Portfolios

Funds analysed, risk managed

The Heritage Model Portfolios are designed to meet the needs of investors who have investable assets between £100,000 and £250,000. Whether you are looking for investment growth, a regular income or a mixture of both, our Model Portfolios could meet your needs.

Multi-Manager

We have a range of five growth and two income risk rated multi-manager investment portfolios, best described as ‘best of breed’. Here, our expertise in asset allocation is complemented by carefully selecting funds on their own merit, with no bias given to one particular manager over another. So for investors wanting accurate diversification, investing in these funds can provide a diverse spread of assets managed by a basket of top performing managers.

Portfolio Breakdown

The following table shows an example of the asset allocation and make up of the Heritage Moderate Model Portfolio.

Asset Allocation				Top 10 Countries			
Asset Allocation	% Long	% Short	% Net Assets	Country	Equity %	Country	Equity %
Stocks	51.77	0.03	51.74	United Kingdom	42.92	Canada	2.05
Bonds	46.32	14.79	31.53	United States	25.21	Norway	2.01
Cash	19.80	10.17	9.63	Switzerland	4.58	Australia	1.89
Other	7.41	0.31	7.10	Germany	3.19	Netherlands	1.46
Not classified	0.00	0.00	0.00	France	2.39	Japan	1.44

World Regions			
Americas	Greater Europe	Greater Asia	Equity %
Greater Europe			64.73
United Kingdom			42.92
Western Europe - Euro			13.29
Western Europe - Non Euro			8.47
Emerging Europe			0.00
Middle East / Africa			0.05
Americas			27.26
United States			25.21
Canada			2.05
Central & Latin America			0.00
Greater Asia			8.01
Japan			1.44
Australasia			1.95
Emerging 4 Tigers			4.01
Emerging Asia - Ex 4 Tigers			0.62

Stock Sectors			
	Equity %		Equity %
Cyclical		45.70	
Basic Materials	3.17	Sensitive	38.81
Consumer Cyclical	20.18	Communication	3.82
Financial Services	15.98	Services	3.43
Real Estate	6.37	Energy	17.30
		Industrials	14.25
		Technology	
Defensive		15.49	
		Consumer Defensive	4.45
		Healthcare	8.84
		Utilities	2.21

Discretionary Fund Management

Broad needs, specialist funds

As Independent Financial Advisers we have access and the ability to consider any solution in the investment universe. Every fund manager we consider must meet our demanding criteria and ethics governed by our Investment Committee, only then will they be utilised within a client's portfolio.

Risk Rated Portfolios

For clients looking to invest from £1,000 we have carefully selected a panel of risk rated portfolio funds which invest directly in equities, bonds, commodities and other alternative investments. All of these funds offer you the advantage of having a full-time expert portfolio manager. They invest in a range of securities and investment funds, diversified across asset classes and geographies.

Discretionary Fund Managers

If your looking to invest over £250k, want access to direct equities and / or VCT's and EIS's, then we have a panel of carefully selected Discretionary Fund Managers (DFMs). This panel includes highly experienced and market leading names such as Investec and Quilter Cheviot.

What you can expect

We have a strong commitment to personal service. This means that our primary focus is on meeting and exceeding your expectations at all times.

You will receive regular, easy-to-read valuation reports showing holdings, performance figures, asset allocation breakdowns along with investments traded. The valuations are also available online via a dedicated and secure client website.

We will regularly review the progress of your investment with you, and your adviser will keep you fully up to date with regular communications.



Take control of your finances and find out more with a free meeting

We are driven by a dedication to ensure your financial well-being, whatever your requirements and whatever your life stage.

Find out how working with one of our expert advisers can help you:

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