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on insurance and financial services

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- Formed in 1982
- Over 350 staff
- T/O of £25m and profitable
- Financially strong with no debt
- 10 regional offices
- National clients, Regional exposure

- Independent
- Professionally qualified
- Comprehensive service ranging from investments to charity insurance and employee benefits
- Authorised and Regulated by the Financial Conduct Authority





Investing

INVESTING CHARITY CASH FOR EITHER GROWTH OR INCOME

Why might we consider investing?

- We require greater returns than offered by cash
- The charity has capital available over and above short term need
- The charity requires an income to support the mission statement

What are the risks of not seeking advice?

- Obligations under The Trustee Act 2000
- Inferior returns
- Inflation
- ...Cash is not an investment

INVESTING FOR CHARITIES

- You need to choose a provider that:
 - Understands the mandate
 - Capital preservation
 - Stable and predictable income to meet demands
 - Capital requirements for unexpected events

ABOUT WAVERTON

INDEPENDENT INVESTMENT HOUSE

- 37.5% employee owned
- £5.7bn assets under management as at 31st March 2019, £711m of which are Charitable funds

DEDICATED CHARITIES TEAM WITH A FOCUS ON RELATIONSHIP

- Award winning investment management from a dedicated team
- Broad range of charity clients

EXPERIENCED INVESTMENT TALENT

- 43 investment professionals with an average investment experience of 23 years
- Specialist regional teams with 13 dedicated analysts

Risk Warning: Past performance is no guarantee of future results and the value of such investments and their strategies may fall as well as rise. You may not get back your initial investment. Capital security is not guaranteed.

Awards: WealthBriefing Charity Investment Manager of the Year. Runner up Charity Investment Manager at The Citywealth Magic Circle Awards and Shortlisted for The Charity Times Awards.



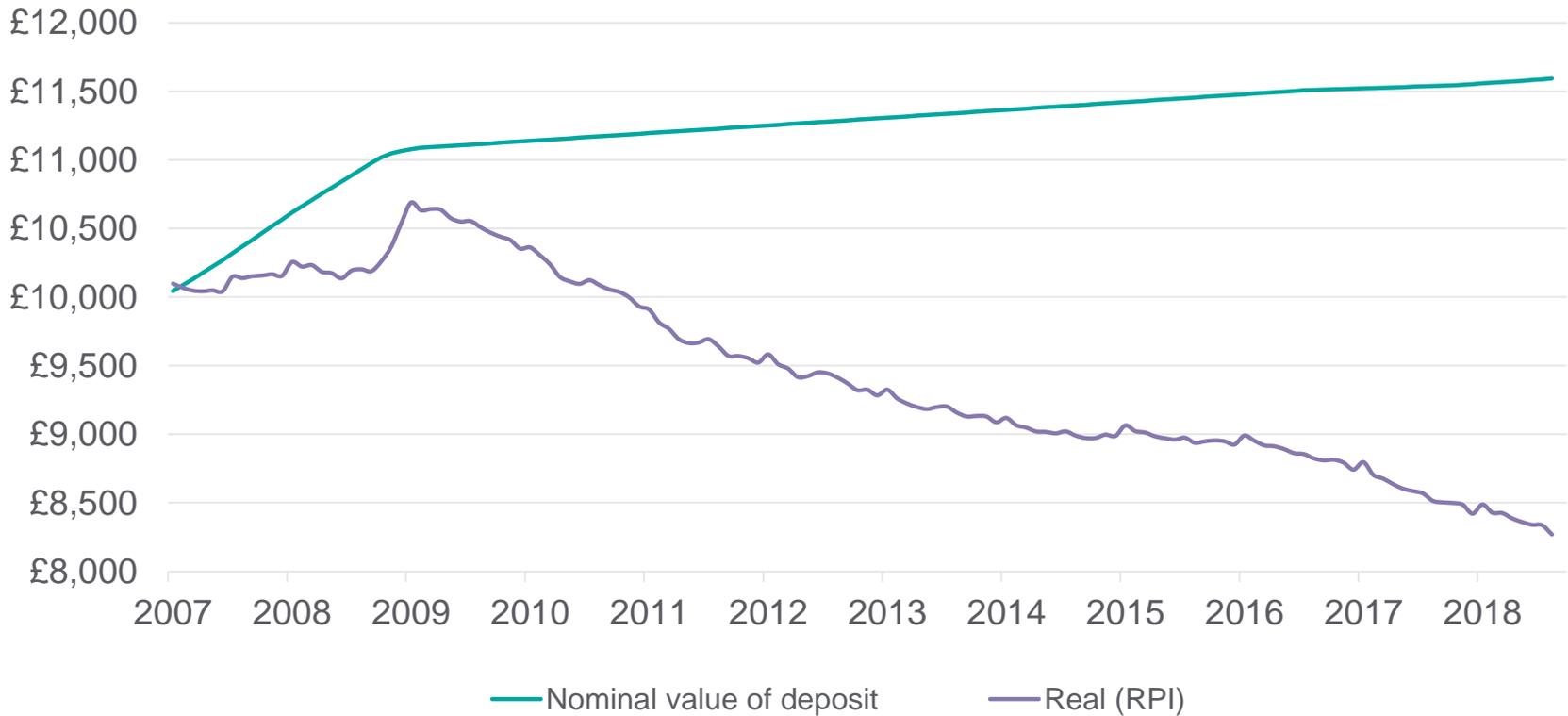
WINNER 2019
Client Service Quality
High Net Worth



RISKS TO CHARITIES

THE IMPACT OF INFLATION

The fate of £10,000 deposited in a bank at the end of 2006



Sources: Bloomberg, Waverton

YOUR RESERVES POLICY

QUESTIONS TO CONSIDER

1. What are your running costs?
2. What are your future spending plans?
3. What is your projected income for the next 1, 3, 5 years?
4. What are your reserves?
5. How long would those reserves keep you afloat?

Top Tip

These questions need to be answered before you're able to determine if investing some of your surplus cash is an appropriate step.

INVESTMENT POLICY

UNDERSTANDING THE LAW

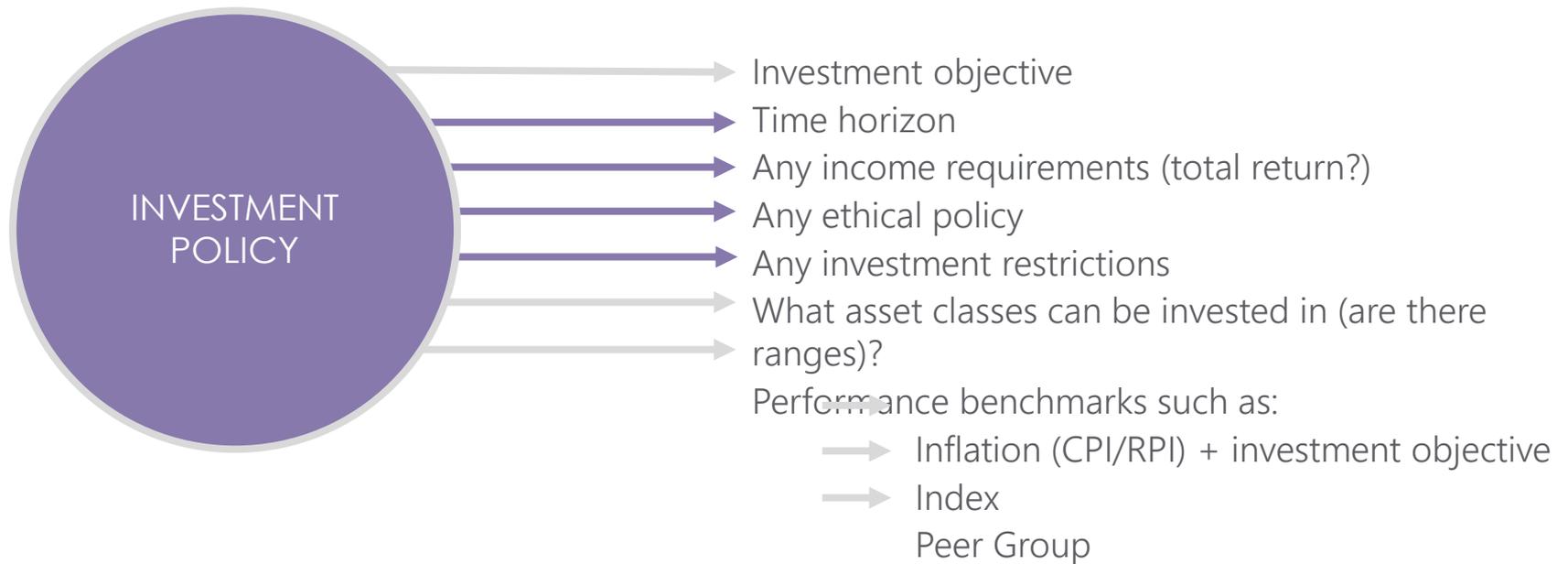
- Charities invest in order to achieve the best financial return within an acceptable level of risk
- Trustees have to comply with certain legal requirements detailed in the Charity Commission's Guide for Trustees on Investment Matters, CC14



“Trustees must exercise due care and skill when making investment decisions and take advice unless there is a good reason not to” CC14

INVESTMENT POLICY

WHAT TO INCLUDE

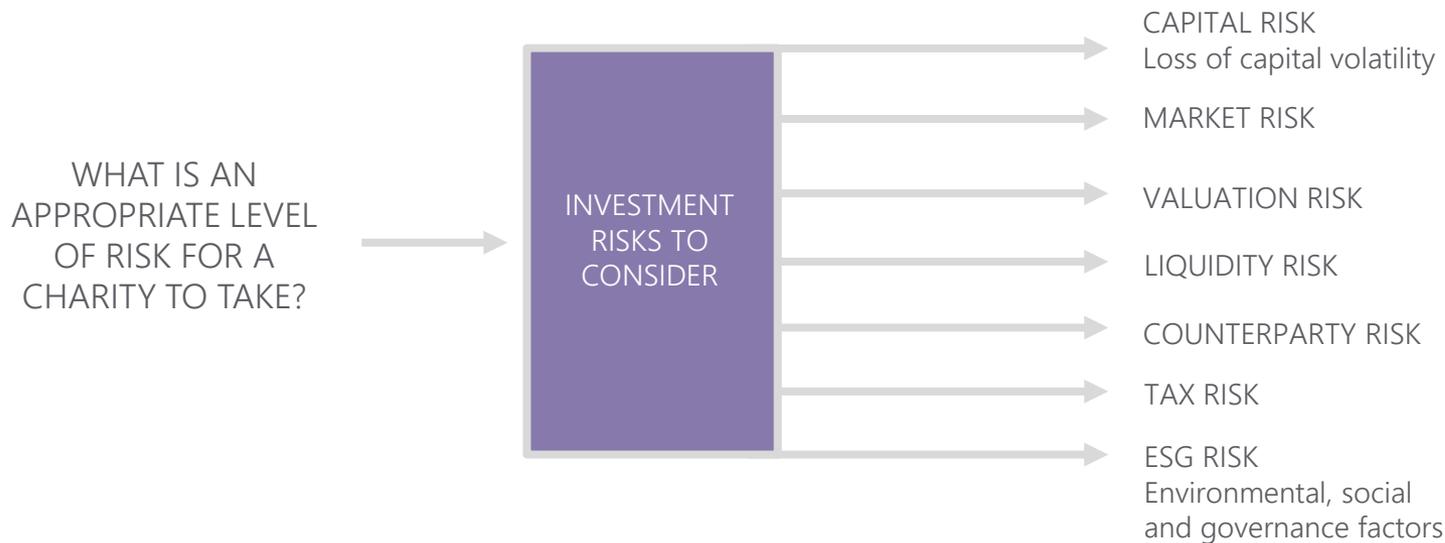


Top Tip

Preparing the policy statement cannot be delegated to the investment manager, but trustees can take independent expert advice on its content.

INVESTMENT POLICY

SETTING THE OBJECTIVE - RISK

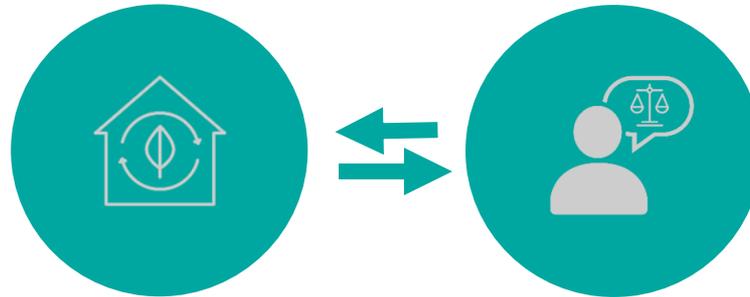


Top Tip

The assets that you hold will be the primary driver of long term returns – this is a key decision. These assets, or mix of assets, will be determined by your appetite to risk and your time horizon.

INVESTMENT POLICY

ETHICAL INVESTING: THE LEGAL FRAMEWORK



CC14

CC14 states that Trustees can decide to invest ethically for the following three reasons:

- a particular investment conflicts with the aims of the charity; or*
- the charity might lose supporters or beneficiaries if it does not invest ethically;*
- there is no significant financial detriment.*

Top Tip

Document the decision making process and keep personal ethics off the table.

Image Source: Thomas' designs, Made

SUMMARY

QUESTIONS TO ASK & THINGS TO REMEMBER

1. What are your barriers to making a decision?
2. Does your Board and Exec need to be more collaborative?
3. Focus on the longer term
4. Relationships are built on trust

CONTACT US



Emma Robertson – Associate Director

Emma joined Waverton in 2015 and is responsible for leading the company's business development activity with charities. Prior to this, Emma worked for Ethical Screening where she was a client and business development manager. She began her career as a Socially Responsible Investment Analyst and subsequently moved into client management where she worked closely with charities and private clients to develop their responsible investment policies. Emma graduated from Bath University in 2005 with a degree in International Management and Modern Languages. She also acts as a pro bono adviser on ethical investing for the RSPCA.

Join us on **July 2nd** in London for a roundtable lunch to discuss this topic in more detail

Please email for more information

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020 7484 2065

RISK WARNINGS

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The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon.

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We encourage you to consult a tax or financial adviser.

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Trustee Indemnity

CHARITIES AND THEIR RESPONSIBILITIES

- Trustees have similar responsibilities to directors of a company because of legislation and regulations
- Directors usually get paid for their trouble whereas trustees can be unpaid volunteers
- A simple mistake of non-compliance can be made or one of the trustees can commit a wrongful or irresponsible act leading to liability
- Trustee indemnity insurance helps to protect against these wrongful acts and to ensure that the charity's funds and assets are not at risk

CLAIMS EXAMPLES

- Making an error or omission can lead to compensation claims, legal action and official regulatory investigations
- A trustee provides a statement to the press and contains libellous comments. Costs of defending such claims would be excessive even if the claims have no merit
- A number of trustees make a decision to assist with another organisation which is not the intended purpose of charity resulting in an investigation
- A trustee appoints a company belonging to a friend to undertake work on behalf of the charity and then the company fails to fulfil the contract

CLAIMS EXAMPLES

- The charity appoints a Health and Safety Officer and following an accident causing injury, the investigation finds the charity is not complying with the Health and Safety legislation. An action is taken against the individual Health and Safety Officer.
- Insurance policies will still exclude dishonest or fraudulent acts or omissions or any intentional breach of any statute or regulation

CYBER INSURANCE

- Charities are a target for hackers because of the amount of data held and some may not have the resources to afford the best firewall/anti-virus protection
- Cyber insurance is readily available which deals specifically with damage to the hardware/software and the expenses/costs associated with a hack or loss of data
- It is not just computer data, it can be paper records too
- Most policies will contain Privacy Protection cover – failure to keep customers data secure
- Other sections of cover include business interruption, extortion, breach costs, crisis containment and multimedia liability