



**ACCORD**  
FINANCIAL MANAGEMENT LIMITED



# Wealth Management Proposition

*Listening, Understanding, Guiding*

# Who Are We?

## Welcome to Accord...

Based in West Sussex, Accord Financial Management Ltd was established in 1999 and we have since secured a reputation for providing timely and valued financial planning advice to corporate and private individuals.

Director owned, with a combined experience of over 30 years, our dedicated and highly qualified team of financial advisers and support staff pride themselves on providing the highest standards of advice and service to our clients.

We strive to ensure our development of creative, innovative & personal solutions help you to achieve your goals and manage your financial affairs in a way that is suitable and achievable.

We offer financial advice on a 'fee' basis. This allows our clients to either pay us directly for any works carried out, or alternatively, authorise us to deduct our fee from the investment amount. Such transparency of charges allows our clients to establish value and promotes trust within our holistic approach.



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# Our Services

At Accord we recognize that all our clients have different financial needs and objectives. As such, we pride ourselves on the personal nature of our service and our ability to address those differences.

We provide clear, expert and unbiased financial advice. Whether you are a business, or an individual or couple needing help with a specific financial need, Accord Financial Management Ltd can help in the areas of:

- Wealth & Investment Planning
- Retirement Planning (Business & Personal)
- Protection Planning (Business & Personal)
- Tax Efficiency Planning
- Investment Platform/Wrap

The key to financial planning is the preparation of a comprehensive report detailing your current financial situation and what action is required to achieve your personal financial objectives. There are 5 distinct steps to financial planning:

- Listening and understanding
- Analysis
- Strategy presentation
- Implementation
- Regular reviews



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# Our People

Our team work closely to provide our clients with advice, implementation and on-going management of their financial strategies so that they can pursue their financial goals.



Paul Roper – Director & IFA

Paul has been in the financial industry for 15 years. He adds significant value to his client's affairs through his ability to explain complex technical issues without resorting to confusing jargon, and by helping clients to increase and/or preserve their wealth in a manner that is most appropriate to their individual needs.



Jason Bant – Director & IFA

Jason moved into the financial industry in 1991 and believes that the ability to understand a clients' individual needs & aspirations is the key to ultimately helping them achieve their goals.



Nicola Sale – Senior Financial Administrator

Nicola looks after the day-to-day running of the office as well as the administration for client policy implementation leaving the advisors free to concentrate on planning and focus on our clients.

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## Our Values

We believe that there are **no standard solutions** to meet our client's financial planning needs as no two people have identical financial situations.

The values we believe in in order to achieve our goals and offer excellent client service levels are:

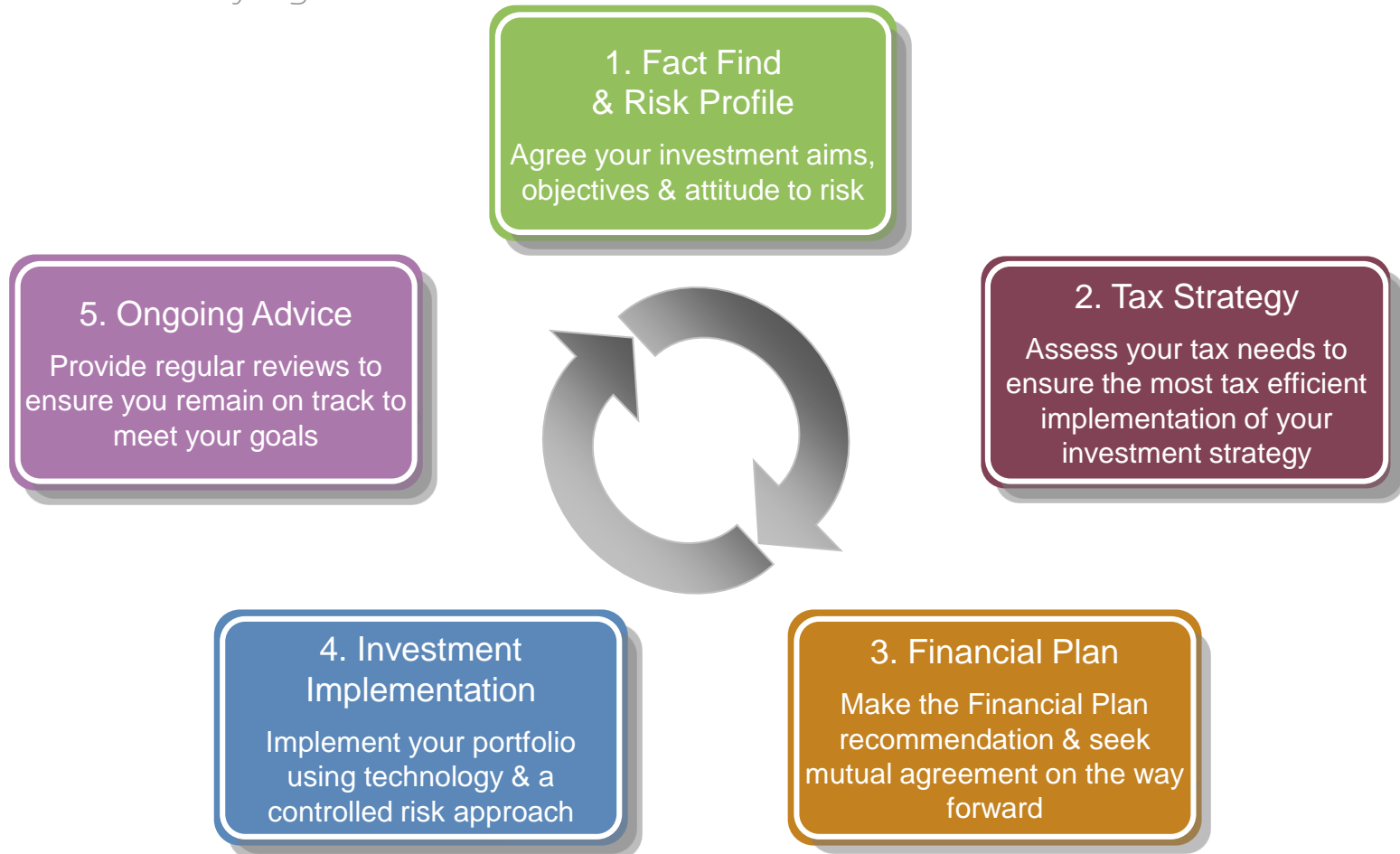
- Respect & Integrity
- Investment in Our People
- Professionalism
- Teamwork
- Long-Term Relationship Development
- Pride, Passion & Humility



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## Our Five Step Financial Planning Process

Our financial planning process consists of five stages designed to help you meet your financial and lifestyle goals...



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## Our Investment Philosophy

### *We Don't Believe...*

- In any **one** asset class
- You can **time** the market or **pick** the winning stocks
- We should **tell** clients what to do
- No. 1 **today** will be No. 1 **tomorrow**

### *We Do Believe...*

- **90%** of investment returns are determined by asset allocation
- Investing is a **science**
- Quality **research** adds value
- Investing requires **discipline** and **patience**
- The numbers **must** add up
- In **Listening** to our clients, **understanding** their individual needs and providing **independent guidance**



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## Access to a Comprehensive Portfolio Administration Platform

Our Investment Platform or 'Wrap' option provides a single, consolidated view of your entire investment portfolio offering some very useful advantages...

- Through our partnership with Nucleus we are able to offer a range of diversified, risk graded portfolios which are tailored to meet the investment objectives of each of our clients.
- All of your investments can be held, viewed and accessed in one place – keeping track of your portfolio becomes a simple task with online access and valuations available in 'real time'.
- Access to significantly low portfolio charges and world class investment managers not generally available elsewhere.
- We can streamline the way we manage your investments and optimise the performance of your assets, ensuring you are not exposed to any undue levels of risk.



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## Nucleus & the 'Wrap' Proposition

Nucleus was founded by a number of high quality IFAs sharing a commitment to the creation of a fresh force in the market, where the IFA has the infrastructure and the desire to place the client centre stage.

It has a core central management team, low overheads and financial backing from Sanlam, the South African financial services group. It has formed a series of strategic partnerships to provide technology, administration of product wrappers, and access to fund management facilities.

Nucleus is an end-to-end business platform based on leading edge wrap technology. It offers total transparency and an institutional style approach to asset management with explicit price rebates based on wholesale prices.



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# Nucleus & the 'Wrap' Proposition

## What is a wrap?

A wrap account is basically an administrative service that combines – or 'wraps' – all of a client's investments into a single manageable account. This means that their total portfolio can be viewed at a glance and involves a huge reduction in the amount of paperwork. It is not a product in which to invest, but rather a service.

A wrap is available online and lets financial advisers manage all of their clients' assets in one place whether these are held directly or through a 'tax-advantaged' wrapper such as an ISA or a pension. Advisers using a wrap have access 24/7 to their client portfolios – this allows them to offer a more efficient and valuable ongoing service than has historically been possible. Furthermore, while product recommendations have sometimes been based on investment performance and the importance of financial strength in delivering that performance, these factors have become less important as companies have increasingly offered what are known as 'open architecture' investment propositions. This means that, instead of constraining the investment choices to those offered by the product provider, it is actually possible to access a range of investment groups. In some cases this approach may extend across the entire market.

The Nucleus wrap currently provides access to six 'products', which we refer to as 'accounts'. These are a General account for directly-held assets, an Isa account, a Pension account (sometimes known as a self invested personal pension or SIPP), an Appropriate Personal Pension (APP) account (for protected rights pension assets), an Offshore Bond account and an Onshore Bond account.

Within each account and subject to the regulations surrounding each account type, clients may invest in a fully open range of assets including unit trusts, OEICs, cash, equities (including investment trusts and exchange traded funds) and other securities such as gilts and corporate bonds.



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# The Importance of Asset Allocation

Research strongly suggests that asset allocation, rather than fund selection, is the dominant factor in portfolio performance...



- Research conducted by Gary Brinson and Brian Singer in 1986 indicated that asset allocation policy is the overwhelmingly dominant contributor to total return
- Asset allocation is the most efficient means of building portfolios which meet specific client goals
- Efficient portfolio management requires allocation across a broad range of asset classes

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# Benefits of Diversified Investing

Annual returns (%) of asset classes (1999 – 2011)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Top-performing asset classes	71.77%	9.93%	8.34%	10.71%	40.48%	17.46%	50.48%	19.63%	37.40%	13.02%	59.38%	22.95%	20.31%	17.18%
	30.90%	9.57%	6.72%	9.39%	29.10%	14.17%	24.56%	16.75%	15.46%	7.59%	30.12%	19.64%	16.68%	13.44%
	27.44%	8.87%	3.17%	9.06%	21.02%	12.84%	24.53%	16.30%	10.27%	3.51%	20.55%	16.78%	7.22%	13.15%
	24.20%	4.24%	0.27%	8.38%	20.86%	8.27%	22.04%	6.60%	8.30%	-3.78%	19.24%	14.51%	5.80%	12.30%
Bottom-performing asset classes	21.63%	0.15%	-0.88%	-14.99%	16.97%	8.04%	19.60%	3.30%	5.83%	-13.86%	15.15%	8.75%	1.82%	11.69%
	4.35%	-4.85%	-10.02%	-22.68%	6.80%	7.95%	9.86%	2.56%	5.76%	-19.46%	10.32%	8.32%	-3.46%	10.51%
	1.05%	-5.90%	-13.29%	-26.73%	5.53%	6.83%	8.71%	1.30%	5.32%	-23.89%	6.36%	7.54%	-5.69%	5.93%
	-0.78%	-7.20%	-13.64%	-27.53%	5.23%	6.58%	7.93%	0.65%	5.18%	-29.93%	5.30%	5.67%	-13.41%	2.91%
	-1.06%	-25.17%	-19.89%	-29.77%	2.08%	3.79%	5.77%	0.53%	1.88%	-35.16%	-1.19%	4.82%	-17.15%	0.56%

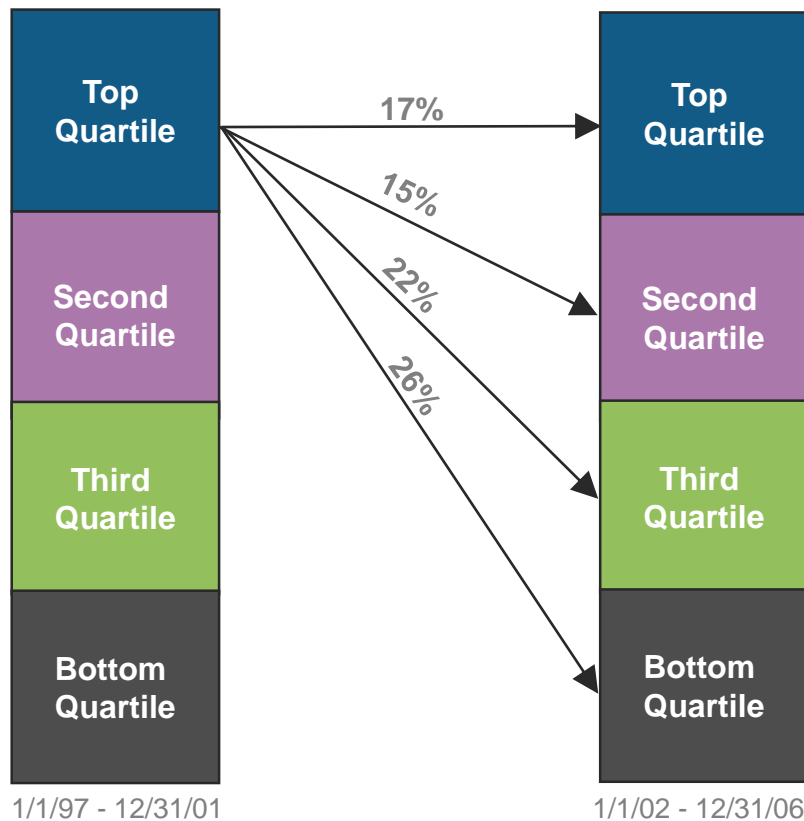
- Global Equities
- UK Inflation Linked Government Bonds
- UK Equities
- Emerging Market Equities
- UK Investment Grade Corporate Bonds
- UK Government Bonds (Gilts)
- Hedged Global Bonds
- North America Equities (US / Canada)
- European ex-UK Equities

Source: Thomson Reuters Datastream. Indices used: UK Government – Barclays Sterling Gilts index; Investment Grade – Barclays Sterling Non-Gilts index; Hedged Global Bonds – Barclays Global Agg hedged to GBP; UK Index-Linked – Barclays UK Government Inflation Linked Index; UK Equity – FTSE All Share; US+Canada Equity – MSCI North America; Global Equity – MSCI All Country World Index; Europe ex-UK Equity – MSCI Europe ex-UK; Emerging Equity – MSCI Emerging Markets. Returns are denominated in sterling and include reinvested dividends and interest.

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# Fund Performance is Unpredictable

History has shown that fixed time periods are inadequate to examine a manager's performance...



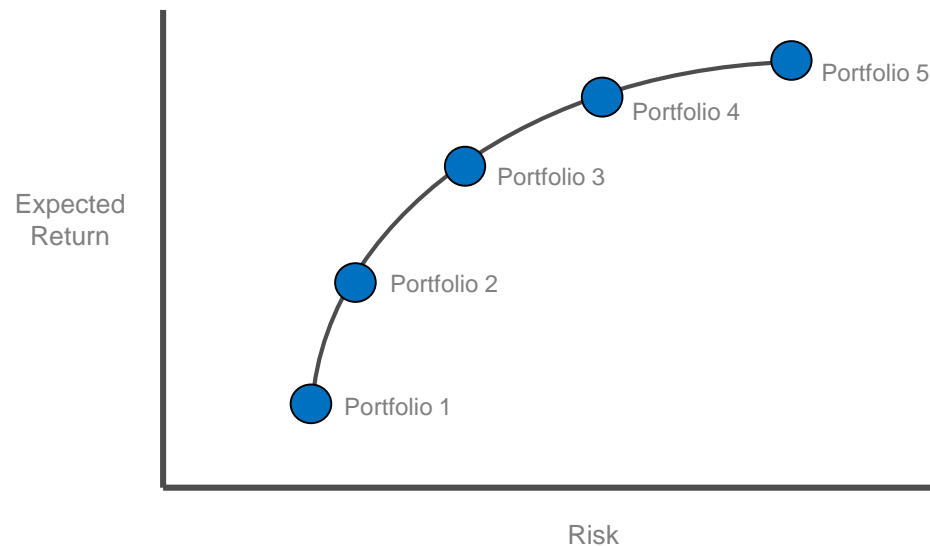
- Performance of individual managers varies through time
- Only 17% of top quartile managers in the first period indicated are still within the top quartile of performers in the second period
- 26% of the first period's Top Quartile performers fall into the Bottom Quartile in the second period indicated

Source: *Standard Poor's Persistence Scorecard*, Year-end 2006. Rankings based on 168 large cap domestic equity managers with returns available over the entire 10 year period from 1/1/97 through 12/31/06. Returns are gross. Note 20% of the managers either merged, liquidated or changed style during the test period and are not included in the above chart.

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## Diversification – Creating Efficient Portfolios

Research also suggests that there is an optimal level of diversification across asset classes to create optimal portfolios that balance risk and return...



- This is known as Efficient Portfolio Theory and is the underlying premise of the portfolios we have created
- By optimising the balance between risk and return, we ensure our portfolios are structured to best meet our client's investment objectives

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# Contact

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