

# Are you getting the best investment outcome for your charity?



LUCAS FETTES

## Independent, objective advice and solutions

Lucas Fettes Financial Planning are a national firm of independent financial advisers offering comprehensive financial planning services tailored to suit the needs of charities and their trustees.

### Introduction

Charitable investments are often fundamental to support the capital and income requirements of a charity.

The funds need to be invested in line with the charity's aims and objectives, ensuring they can be achieved with the minimum amount of risk, whilst considering any restrictions applied to the endowments received.

Trustees have legal duties but moreover will want to ensure they are getting the best outcome for their organisation.

Often, charities and not-for-profit organisations will face challenges with their investments for a number of reasons.

The most common difficulties are:

- There is a lack of clear objectives
- They do not have an investment strategy that is built around their objectives
- There is no oversight or benchmarking of the investment management process or performance

It is important that control of your charity's investments is maintained. This means that your organisation should monitor the performance of investments and make informed decisions based upon this.

If your trustee board does not have the skills and experience for this, you should seek advice from an independent specialist. Advice received should be impartial of the Investment Manager(s) with investment decisions approved by the trustees.

Lucas Fettes Financial Planning are able to offer an independent investment oversight service to ensure the suitability and sustainability of your investments. We can also compare and make recommendations on appropriate Investment Managers.

We are able to offer an initial meeting without charge. This will be undertaken by one of our Financial Planners.

If suitable for your needs Lucas Fettes Financial Planning can also manage assets on an ongoing basis on your organisations behalf. The management of these assets will be based on your organisations financial circumstances, objectives, and risk requirements. This will be reviewed periodically to ensure the ongoing suitability of the arrangements in place.

### Initial investment review and health check

We begin by establishing the financial goals of your organisation, working with your trustees to assess your organisation's requirements for income and capital, and the timescales for these.

We understand the responsibilities trustees have, which includes the need to set clear objectives for funds and choose appropriate performance, risk and time benchmarks for Investment Managers. We take these factors into account when working with our clients.

### Review of your Investment Manager(s) and strategy

We will undertake a review of your organisation's current arrangements with your Investment Manager(s), to analyse the performance of your organisation's investments alongside key benchmarks and indices.

This review will also consider the risk and volatility of your organisation's current portfolio against the agreed investment policy and financial objectives, and determine whether the charges your organisation pay are reasonable and competitive.

### Review of your Investment policy statement

To undertake this review we will start by establishing whether your organisation's investment policy statement is compliant with, and meets, the applicable regulatory requirements and current best practice.

We will also ensure this correctly and appropriately outlines the investment needs of your organisation.

These may include:

- Overall investment aims and objectives
- Risk profile and parameters
- Capital growth and income requirements
- Investment powers and restrictions
- Delegation of investment discretion
- Timing of returns and liquidity requirements
- Consideration of socially responsible investment criteria
- Benchmarking and performance reviews

### Investment strategy analysis

We will clearly identify and explain the investment options available to your organisation.

To begin this process we will analyse your organisation's approach and its alignment to the investment policy statement.

A range of investment solutions that are available to your organisation will then be explained, along with the inherent risk and return characteristics. We will then assist your organisation in formulating and implementing an investment strategy.

### Investment Manager(s) selection

Through our research and due diligence we will assist you in assessing and appointing the most suitable Investment Manager(s) for your organisation's needs. This consists of identifying and gathering detailed information about appropriate Investment Managers.

Based upon your organisation's requirements and investment needs, we will conduct an analysis and make recommendations to help your organisation make its selection. Once the selection is made, we will assist you with the transition of assets where applicable.

### Ongoing monitoring and cash flow

If you pay for an ongoing service we will monitor the performance of your Investment Manager(s) on an ongoing basis. This includes assessing the portfolio's risk, volatility and continued suitability against your organisation's requirements, as well as the overall performance.

We can also provide cash flow forecasting services and reports to assist the charity in meeting and managing its capital and income requirements.

## Summary

If your charity, or not for profit organisation, is looking to invest or review the investment arrangements it already has then there are many considerations to take into account.

Lucas Fettes Financial Planning have a range of cost effective services that can assist charities and not for profit organisations with their investment arrangements. We are independent and our services are tailored to the requirements of our clients.

By seeking independent advice the trustees can be satisfied they are fulfilling their duties and more importantly achieving the best outcome for their organisation.

Should you wish to speak to us regarding our services, please contact us using the details below.

## Contact us

If you would like further information on any of the above services or how we can help you, please do not hesitate to contact your Lucas Fettes Financial Planning adviser, call us on 01603 706 820 or email [info@lffp.co.uk](mailto:info@lffp.co.uk).

[www.lffinancialplanning.co.uk](http://www.lffinancialplanning.co.uk)

The contents of this fact sheet do not constitute financial advice. The value of investments can fall as well as rise and it may not always be possible to receive back the sum initially invested. Past performance is not necessarily a guide to future investment returns.

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