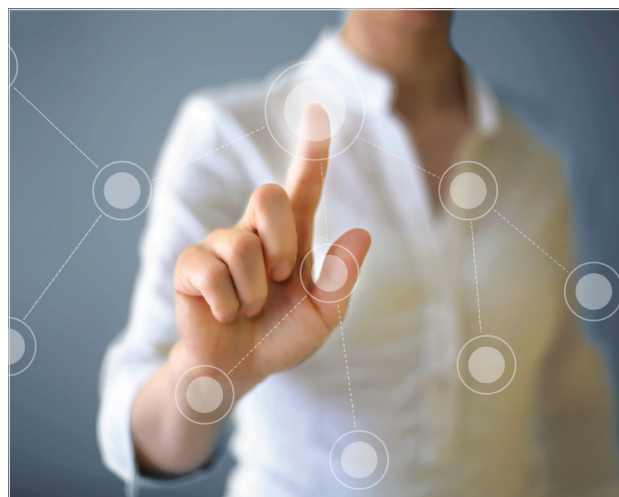


Panel creation and management

The Tax Enhanced Market

The Government has a clear policy of encouraging investment into smaller companies through a range of tax enhanced products. They have made it clear that the tax reliefs are designed to compensate for the risk that investors will take in this market.



The range of Government approved products now encompasses Enterprise Investment Schemes (EIS), Seed Enterprise Investment Schemes (SEIS), Venture Capital Trusts (VCT), Business Property Relief (BPR) and Social Investment Tax Relief (SITR).

Growing demand

From an investor's point of view there is growing interest in tax enhanced products. This interest is being driven by two important factors:

- ▶ The reduction in the pension cap means that more people are now looking at alternative tax enhanced products to pensions as a means to supplement their saving for retirement.
- ▶ Uncertain and flat stock markets mean that investors are now looking for new ideas for investments that offer genuine growth potential.

We know from talking to wealth management and financial planning firms that an increasing number of their clients are raising the subject of tax enhanced products.

The need for expertise

It is also true to say that most advisory firms only offer tax enhanced products to their wealthiest clients. They are not products that are used every day. As a result, many advisory firms do not have in-house product experts that can devote a lot of their time to understand this diverse and changing market and the products that are currently available.

The value of panels

In the investment fund world it is now standard practice for many advisory firms to have panels of approved funds. The reasons are clear. It is evidence that research has been done, and it makes the sales process easier for the adviser and importantly, clearer for the client.

This practice of panels is increasingly growing for tax enhanced products. As well as the above reasons, with new products coming to market all the time, it makes eminent sense to create a panel that enhances simplicity and clarity.

Panel construction

Advisory businesses are not the same. There are some where most clients come from a particular industry sector. There are some that focus on entrepreneurs with their own businesses. Others have most clients in the sporting world, or media and entertainment. What is evident from investing in smaller companies is that some investors are most comfortable when investing in a sector that they know and understand. That is why panels can be so different from each other.

We take time to understand the advisory firm, its culture and client profiles, before starting our evaluation of the market. This then enables us to create panels of the investments that will satisfy both your advisers and their clients.

Panel reviews and maintenance

We all know that the world doesn't stand still. Markets and industries change.

That is why a panel of approved suppliers may soon become out of date. New or specialist products emerge. Others may lose their way. And it is important that you and your advisers are kept up to date with industry news and developments, so that you can give the right advice to your clients.

That is why we offer our 'Industry Update Service' to all our 'panel' clients. It will enable you to talk about the tax enhanced industry with confidence.

Why Hardman & Co

Founded over 20 years ago, Hardman & Co is an FCA registered capital markets research and consultancy business, with offices in London and Edinburgh. We have built a reputation for research and consultancy of the highest quality.

Uniquely in the tax enhanced market we are able to draw on sector specialists who can provide direct relevant commentary on the funds and products under review. These specialist areas include agriculture, life sciences, building and construction, media and technology, to name but a few.

It is a depth of expertise that we believe is unrivalled in the industry.

Contact details

In the first instance please contact:

Richard Angus

Head of Business Development
Email: ra@hardmanandco.com
Tel: 020 7148 0548

Dr Brian Moretta FFA

Head of Tax Enhanced Services
Email: bm@hardmanandco.com
Mob: 07979 004171

London Office

Hardman & Co
11-12 Tokenhouse Yard
London EC2R 7AS
Tel: 020 7929 3399

Edinburgh Office

Hardman & Co
9-10 St Andrew Square
Edinburgh EH2 2AF
Tel: 0131 718 6272

Website

hardmanandco.com