

For Immediate Release

Critchleys Financial Planning and Seven Investment Management

9 November 2009

Critchleys Financial Planning LLP is pleased to announce further enhancements to its service proposition by recently forming an additional link with the investment management firm Seven Investment Management (7IM).

This is an additional solution to run along-side our more bespoke *MasterAccount* Service run in conjunction with Deutsche Private Wealth Management.

The financial turmoil over the last few years has led us as planners to revisit our core beliefs when looking at investment management generally. Whilst we still firmly believe in multi-asset class managed portfolios and that history has shown that 90% of investment return comes from having the correct asset allocation as opposed to picking the best funds or fund managers, we have started to question whether the additional costs involved of investing into actively managed investment funds merits the potential reward.

Eg, if you want to invest in the UK stock market, you could either invest via an actively managed UK equity fund or you could just invest into a fund which tracks the performance of the FTSE All-share index. The annual costs of an active fund could be 1.0% – 2.5% pa compared to an index tracker at say 0.5% pa. If you then take into account that history has shown that 70/80% of active funds under-perform the index due to manager error or because of higher charges, then there is a good argument for “passive” index tracking strategies. That said, we also believe that you do still need someone to manage the overall asset allocation at a tactical level, so you are investing in the right passive strategies at the right time.

Deutsche Private Wealth Management already help us in this area although this service is typically for clients with funds in excess of £200,000. We therefore wanted to find an additional low cost solution for clients with smaller sums with these thoughts in mind.

Having completed our due diligence, we are pleased to confirm the appointment of 7IM as an additional strategic partner, as they have experience in running collective portfolios with differing risk profiles, all of which offer access to low cost, tactically managed passive investment strategies.

If you would like to find out more about our range of services and our strategic investment partners, please contact Jason McGuigan on 01865 261170 or email jm McGuigan@critchleys-fp.co.uk

Notes

Critchleys Financial Planning LLP was created in June 2007. The business is a specialist financial planning firm, owned by Jason McGuigan and the Partners of Critchleys Chartered Accountants and Business Advisers. The firm is one of Oxford's leading independently owned, professional financial planning practices.

Our aim is to help people achieve their lifetime goals through well-thought-out financial planning.

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