



Pooled investments

Choosing a broad spread of instruments in which to invest

If you require your money to provide the potential for capital growth or income, or a combination of both, and provided you are willing to accept an element of risk, pooled investments could just be the solution you are looking for.

A pooled investment allows you to invest in a large, professionally managed portfolio of assets with many other investors. As a result of this, the risk is reduced due to the wider spread of investments in the portfolio.

Pooled investments are also sometimes called 'collective investments'. The fund manager will choose a broad spread of instruments in which to invest, depending on their investment remit. The main asset classes available to invest in are shares, bonds, gilts, property and other specialist areas such as hedge funds or 'guaranteed funds'.

Most pooled investment funds are actively managed. The fund manager researches the market and buys and sells assets with the aim of providing a good return for investors.

Trackers, on the other hand, are passively managed, aiming to track the market in which they are invested. For example, a FTSE100 tracker would aim to replicate the movement of the FTSE100 (the index of the largest 100 UK companies). They might do this by buying the equivalent proportion of all the shares in the index. For technical reasons, the return is rarely identical to the index, in particular because charges need to be deducted.

Trackers tend to have lower charges than actively managed funds. This is because a fund manager running an actively managed fund is paid to invest so as to do better than the index (beat the market) or to generate a steadier return for investors than tracking the index would achieve. However, active management does not guarantee that the fund will outperform the market or a tracker fund.

Information is based on our current understanding of taxation legislation and regulations. Any levels and bases of, and reliefs from, taxation are subject to change. Tax treatment is based on individual circumstances and may be subject to change in the future. Although endeavours have been made to provide accurate and timely information, Goldmine Media cannot guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No individual or company should act upon such information without receiving appropriate professional advice after a thorough review of their particular situation. We cannot accept responsibility for any loss as a result of acts or omissions.

TIME TO REVIEW YOUR CURRENT INVESTMENT STRATEGY?

If you would like to review your current investment strategy, please contact us – we look forward to hearing from you.



Save smart and make your existing money grow

5 tips to help you be more confident about your financial future

1. Always have some money that you can access easily and quickly for emergencies before looking to invest for the longer term. It's reassuring to know you've got money set aside to cover your rent, mortgage, food and utilities for a number of months.

2. Avoid the risk of your savings losing real value. Regularly check the interest rate you're getting to see if you can do better and beat inflation.

3. Once you've built up enough cash, consider investing to build up savings for the longer term. One tax-savvy option is a Stocks & Shares Individual Savings Account (ISA). The annual ISA tax-efficient allowance is currently £15,240 in the 2015/16 tax year. In the UK, hundreds of people are reported to have amassed ISA funds in excess of the magic million, by squirrelling away the full limit each tax year since the early 1990s.

4. Don't delay. The earlier you start investing for your future, the more chance your money has to grow.

5. Don't miss out on free money. If you're employed, chances are you've been auto-enrolled in a company pension, with employer contributions and generous tax benefits from the Government, so take advantage of this. If not, take advantage of a personal pension – don't leave it to chance.

Information is based on our current understanding of taxation legislation and regulations. Any levels and bases of, and reliefs from, taxation are subject to change. Tax treatment is based on individual circumstances and may be subject to change in the future. Although endeavours have been made to provide accurate and timely information, Goldmine Media cannot guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No individual or company should act upon such information without receiving appropriate professional advice after a thorough review of their particular situation. We cannot accept responsibility for any loss as a result of acts or omissions.

DO YOU NEED TO DO SOMETHING ABOUT IT TODAY?

To afford the lifestyle you want, you need to do something about it today. It's never too early to start saving and investing in order to protect your future. To find out more about how we can help you plan, please contact us for a full review of your particular situation.

