

Buzzacott

Investment consultancy

for charities and not-for-profit organisations



About us

Buzzacott is a top 25 UK accountancy firm, providing tailored expertise in tax, audit and financial planning, for individuals, businesses and not-for-profits.

We define ourselves by the needs of our clients, large and small and work hard to build and maintain relationships that are personal, collaborative and enduring – to be a partner you can trust. We blend pragmatism and front-line experience with the insightful knowledge of an industry leader.

Over 600 of us, led by 50 partners, work co-operatively in specialist teams under one roof to tailor-make solutions for you. We're big enough to display deep knowledge over a broad range of specialisms, and small enough to understand the power of personal connections.

- Largest single-office accountancy firm in the UK.
- Client-focused solutions.
- Exceptional service with a tailored approach.
- Big firm capability, small firm intimacy.

We're proud to have commemorated 100 years of business in 2019. We've developed in the areas where our expertise is, transitioning from being accountants, to advisers, to now acting as a strategic partner to our clients. Trust is the foundation of our values and for the next 100 years we'll continue to help our clients make connections, build more lasting relationships along the way, and meet more of our clients' needs.

Investment consultancy

If you oversee charity, not-for-profit or company funds, it's likely you have an ever-increasing weight of responsibility. Share that weight with us. For decades, we've provided trustees, companies and families with the information they need to make the right investment decisions.

When it comes to investing, doing things right from day one is critical to success. Whether you're considering risk, Investment Policy Statements (IPSs), investment managers, reviews, or cash management, our independent investment advisers can support you with evaluating what's best for your organisation and then oversee implementation.

Our investment advisers have a wealth of experience in finding the right solution and where possible, negotiating better terms. They can also help to put in place correct policies that will establish suitable investments, meet any legal requirements and adhere to Charity Commission guidance.

Appointing an investment adviser will ensure that your organisation receives professional consultancy on its assets. Performance can be presented in a reassuring way, but having an independent adviser, who can take on the burden of ensuring suitability, means that investment managers will be held to account where required. It also provides trustees with confidence that their investments are being managed in the best interests of their organisation.

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How we can help

Our services

Investment consultancy from Buzzacott is made up of five services, which cover the main areas we see our clients seeking advice on. We provide bespoke service packages around your unique requirements, so you can benefit from just one aspect of the service, a mix of services, or our full investment consultancy solution. We'll also adapt to your needs as they change overtime. Whatever you require, we'll tailor-make a solution for you that is aligned to your objectives.



Investment risk and strategy

Charity Commission guidance

“Before making any investment decisions, trustees should consider what is the appropriate level of risk that they want to, or are able to accept. As part of their duty of care, the trustees must be satisfied that the overall level of risk they are taking is right for their charity and its beneficiaries.”

It's important to regularly review the overall strategy for your organisation's assets. Changes to trustees, your organisation's circumstances or your objectives, are all prompts for risk and strategy reviews.

Challenges

- Uncertainty around how much to invest or what, if any, ethical or sustainable investment practices you want to follow.
- Differing risk tolerances or strategy opinions among individual trustees and needing help to ascertain the appropriate investment approach for the charity and its beneficiaries.
- Identifying and mitigating different risks, whether it be market, capital, liquidity or counterparty risk.
- Being unsure of how often your strategy and risk level needs reviewing.

How we can help

- Strategy review to consider suitable investment amounts, ethical, sustainable or ESG investing approach.
- Risk review to establish suitable levels of risk for your organisation's investments (attitude to risk, risk need and capacity for loss).
- Recommended approach for reflecting suitable risk levels and strategy on your Investment Policy Statement.

We review existing investments, assess the associated risks and suggest any changes required to align your strategy with your agreed objectives. Our understanding of ethical, environmental, social and governance factors is unrivalled, and these areas are always considered, where appropriate.

Investment Policy Statements (IPSs)

Agreeing a suitable risk level and constraints, ensuring your objectives and views are accurately recorded, and using relevant benchmarks for comparison, are all crucial to managing your assets.

Challenges

- Being unsure of what needs to be included.
- Your IPS not adequately covering what investments are suitable for your organisation or your specific requirements.
- Unnecessary restrictions in your IPS, which are potentially hindering returns.
- Aligning with Charity Commission guidance.
- Ensuring your IPS reflects your charitable objectives and ethical preferences.
- Being unsure of how to properly record a performance target or relevant benchmarks.

Charity Commission guidance

“Trustees who give discretionary powers to an investment manager are legally required to have a written investment policy.”

“Preparing the policy statement cannot be delegated to the investment manager, but trustees can take independent expert advice on its content.”

How we can help

- Reviews of your existing IPS.
- Understanding your organisation’s needs and objectives to ensure they are reflected in your IPS.
- Independent advice on how to ensure your IPS fits with Charity Commission guidance and legal obligations.
- Recommending changes to an existing IPS or drafting a new one.

To give you peace of mind, we review and draft policy statements and mandates that align your investment strategy with your desired outcomes.

Investment manager selection

Charity Commission guidance

“If a charity decides to use an investment manager, its trustees should:

- Satisfy themselves that an investment manager can perform effectively in line with their investment objectives and policy.
- Consider how the services offered by a number of different managers meet those needs, and compare them in terms of cost, investment approach and level of service.”

There are many reasons why you may need to create an investment portfolio or appoint or replace an existing investment manager.

Challenges

- Knowing where to start with the selection of the most appropriate manager for your organisation, how many to consider, and how to narrow down options.
- Wondering whether you are getting the best fee agreements managers can offer.
- Questioning how to compare managers on a level playing field and how to benchmark them.

How we can help

Market reviews of investment managers:

- Narrowing down suitable managers and obtaining proposals from them.
- Analysing proposals and providing trustees with recommendations for a shortlist of managers.
- Interviewing shortlisted managers with trustees, also known as a ‘beauty parade’ process.
- Providing recommendations for appointment of manager(s).
- Negotiating manager fees.

We construct investment strategies and find, negotiate with, and appoint the most suitable investment firm to understand and deliver your requirements. This provides peace of mind that a rigorous process has been followed and an appropriate solution implemented.

Investment monitoring and review

Charity Commission guidance

“...the review of the service provided by the investment manager should be carried out independently of the investment manager.”

“...[Trustees] can employ someone who is independent of their investment manager to provide that assistance.”

When assets are invested, it's important for them to be monitored and reviewed regularly to ensure they remain suitable.

Challenges

- Demonstrating an effective expertise-driven regular review process.
- Needing guidance on the frequency of reviews.
- Understanding how your investments are performing relative to the objectives, the industry or whether the benchmarks set are representative.
- Ensuring you're reviewing the risk, charges, and alignment to your IPS effectively and regularly.
- Knowing if the terms of appointment are still appropriate.
- Independently holding your investment manager to account effectively, where needed.

How we can help

- Reviews of existing portfolios and managers.
- Regular review meetings with trustees.
- Provision of a comprehensive annual report analysing your investment managers' performance, covering off all other expected review criteria and where necessary, providing recommendations.

We track and benchmark portfolio performance, scrutinise your investments and manager(s) on your behalf, and help you assess risk taken versus return achieved. Rely on our help and expertise to make sure your chosen investment manager is delivering against your objectives and investment policy.

Cash and treasury advice

Charity Commission guidance

“Trustees should:

- Have a short written policy
- ...Consider thoroughly which institution to invest with
- ...Investigate what protection there is for deposits
- ...Limit the amount deposited in any one institution
- ...Get professional advice where appropriate
- ...Review arrangements regularly”

What works for a long-term portfolio, is very different from what’s needed to manage liquid assets.

Challenges

- Needing guidance on approaches and policy for your short, medium and long-term liquidity needs.
- The counterparty risk of different institutions can be difficult to assess.
- Wondering how to adequately assess the protection in place for deposits.
- Implementing a strategy in a changeable market that consistently offers competitive interest rates.

How we can help

- Cash and treasury policy reviews.
- Drafting treasury policies.
- Independent advice on strategy and implementation.
- Analysis and independent advice on available cash solutions and protection, whether it be use of cash funds, government and corporate bonds, deposit accounts, or a combination of them.
- Access to foreign exchange services.

Whether it be cash funds, corporate or government bonds, or deposit accounts, we evaluate the full range of risks to help you decide on the best cash and treasury policy, mitigating risks, matching objectives or liabilities and maximising return.

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Why work with us?

Buzzacott

Why Buzzacott?

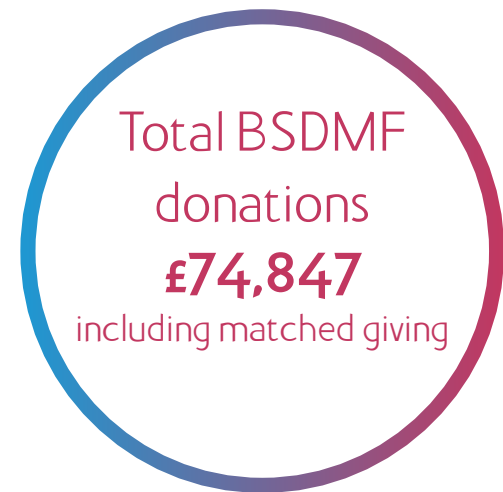
Expertise leveraged for your advantage

- Buzzacott has provided accountancy services to the not-for-profit sector since the finances of UK charities first became regulated in 1992. We have committed ourselves to it from the start.
- Our investment consultancy specialists are highly qualified with recognition from the CFA, CISI, and CII, and have over 25 years of experience advising on investments.
- Buzzacott works with more than 500 not-for-profit clients, who each have unique requirements. This breadth means that whatever challenge you face, we've likely come across it before.

Strong client relationships built on trust

- Our aim is to ease your burden, which is why we take care to reduce complexity and avoid using jargon.
- We are always proactive, and will support you in any way we can, such as providing training to your trustees or strategic advice to management.
- We differentiate ourselves by our desire to find out what's happening beyond the numbers, and our processes reflect this.

Corporate Responsibility and Sustainability



We think about the world beyond our office walls as much as the one inside them, and always consider our impact on the environment and our local community.

The Buzzacott Stuart Defries Memorial Fund (BSDMF) sits at the heart of Buzzacott's CRS programme. The Fund was established in 2003 in posthumous memory of Buzzacott Partner, Stuart Defries, with the aim of supporting small charities that work with children and young people based in and around the City of London.

We are dedicated to equal opportunities and equal treatment for all Buzzacott team members. As a firm we're continually developing our diversity and inclusion programme, and our culture is one that is open and inclusive, where individuals are comfortable bringing their true selves to work and where all team members are supported through every step of their career with us.

We take our environmental responsibilities equally seriously, both in the office and with our team members working from home. Sustainability is built into our building and our thinking – from the motion-controlled lighting to our careful treatment of waste materials. Looking to the future we are considering how we can become even more efficient with the introduction of new energy and carbon reporting protocols.

84%
recycling rate

44,177Kg
waste recycled

68 tonnes
CO2 saved

2,275 Kwh
energy generated

598
trees saved

Diversity and inclusion

At Buzzacott we all work together to champion diversity, inclusion and social mobility. We recognise the talents of all our team members and their different skills, perspectives, beliefs and experiences.

Our culture is built on a foundation of trust – everyone is respected, supported and encouraged to be themselves. Our team members are treated fairly and have equal access to opportunities to enable them to thrive individually and to contribute to the firm's success.

We celebrate similarities and differences. While our team members represent diverse beliefs and backgrounds, they share in our core values.

Our partnerships



We want everyone to have an equal opportunity to enter the accountancy profession, based on merit and passion rather than background. Because of this, we partner with Access Accountancy to support the provision of work experience opportunities to a diverse student demographic.



We partner with LTSB, a social mobility charity, and regularly attend "speed interview" events to support employment opportunities for young people from disadvantaged backgrounds.

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About our experts



Matthew Hodge

Partner

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Matthew joined Buzzacott in 2015. He is a Partner in our Financial Planning team and Head of our investment offering, which includes private client and consultancy services.

As a CFA Charterholder and a Chartered and Certified Financial Planner, Matthew uses his considerable experience and expertise when advising clients on investments.

Prior to Buzzacott, Matthew worked as an investment consultant advising charities, businesses, trustees and large families at PwC.

Matthew is well-equipped to undertake a range of investment consultancy assignments, including:

- Advising on custodian appointments for institutions.
- Advising charities and not-for-profits on the selection of investment managers.
- Devising Investment Management Agreements.
- Monitoring of investment performance and risk.
- Advising on treasury policies and cash strategy.



Seth Dowley

Manager

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Seth joined Buzzacott in 2017 after graduating from the University of Edinburgh with an MA honours degree in economic history and business. He is a Manager in our Financial Planning team, specialising in investment consultancy.

Seth provides investment advice to charities and not-for-profits with a broad range of backgrounds, as well as high-net-worth individuals, families and corporates.

He has experience from both sides of the client-adviser relationship, having been a charity trustee himself for the past five years.

Seth is a qualified financial adviser but has specific expertise in consulting and advising on responsible and ethical investments and implementing strategies that align with charitable objectives. He holds the CFA ESG investing certificate.

His clients range from those with existing investments looking for independent advice on ongoing suitability to those new to investing looking to implement appropriate solutions.

Trusted for the experience we have, the specialisms we understand,
the relationships we build and the values we live by.

Buzzacott Financial Services (trading name 'Buzzacott Financial Planning') is authorised and regulated by the Financial Conduct Authority (FCA) and is registered in England and Wales with registered number 01862661.

The Financial Conduct Authority (FCA) does not regulate some forms of investment consultancy

Some investment consultancy services may not be available to existing Buzzacott audit clients.

Registered office is 130 Wood Street, London, EC2V 6DL.

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