



**HARDMAN & CO.**  
TAX ENHANCED

# GETTING IT RIGHT

WITH OUR INDEPENDENT REVIEW SERVICES  
FOR THE TAX ENHANCED MARKET

COMPLIANT	✓
AUDITABLE	✓
UP-TO-DATE	✓
RISK ASSESSED	✓
SUPERIOR INSIGHT	✓
COST EFFECTIVE	✓



# THE TAX ENHANCED INVESTMENT MARKET

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Tax enhanced investment products are an increasingly important part of the Government's plans to encourage growth of smaller businesses. It is the SME sector that is increasingly being seen as the engine of UK economic growth. The range of such products includes SEIS, EIS, VCT, BR & SITR. The choice of these products is increasing, and so is their complexity.

There are currently three important drivers of change:

## **1 Regulatory**

Regulatory changes are putting greater responsibility on advisers for their recommendations, and obtaining appropriate outcomes for clients.

## **2 Market**

The focus is on growing knowledge intensive companies, and the ability of smaller companies to scale up into large corporations. We continuously monitor products, so that we know when they are entering, changing or leaving the market.

## **3 Changing client needs**

The reduction in the pension cap means that more people are now looking at alternative products.

# OUR SERVICES

## FRESH APPROACH TO INDEPENDENT REVIEWS

Hardman & Co is uniquely positioned to assess the risk and investment objectives of each product. You will benefit from being able to make informed decisions in a time-efficient manner, knowing that you are able to rely on our extensive investment expertise. Our reviews are thorough yet practical.

### Panel services

Our panel creation services are precisely tailored to the needs of your business, and range of client profiles. We will want to understand the parameters that you are comfortable with, and the emphasis you will want to place on different criteria.

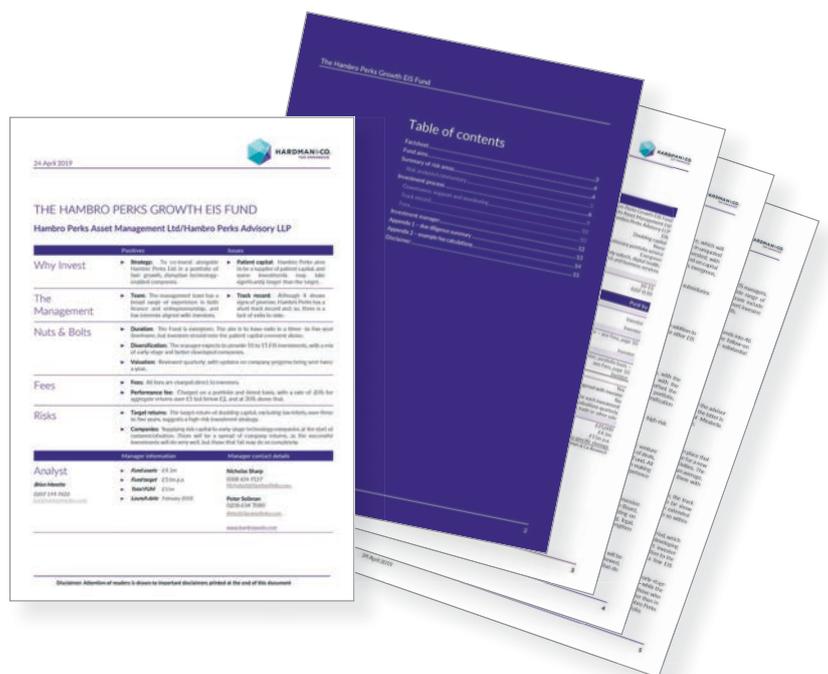
These services can be supplemented by education and training, ongoing monitoring and direct access to our analysts.

For further information please see our [‘Panel Creation and Monitoring’](#) leaflet.

### Consultancy services

We have the investment expertise and in-house capacity to offer personalised services:

- Supporting internal selection processes
- Reviews and advice of existing in-house panels
- Access to analysts





# INVESTMENT RESEARCH MATTERS

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The demand for tax enhanced products is growing. Hardman & Co enables adviser and wealth management firms to select suitable products with confidence, and most importantly, in a compliant manner.

## GOVERNANCE

Investing in products where the governance is not up to scratch is an unnecessary risk for advisers. In unquoted BR, this can include a lack of independent directors (approximately half of products have none), accounts which give no meaningful information or using valuations that have no external oversight. For (S)EIS funds, Hardman & Co reviews the investment and decision-making process to make sure it complies with best practices.

## FEES

Hardman & Co believes that transparency is one of the keys to informed decision making. Fees, expenses and their impact has been a troublesome area for many investors and advisers. For example, there are still many products where the expenses exceed the targeted return to the investor. Using a unique and robust methodology, our reports measure the full impact of fees in a straightforward way that makes products easily comparable.

## TRUST BUT VERIFY

As well as using information supplied by providers, the Hardman & Co process seeks independent validation where possible. This is particularly true in unquoted BR products, where the primary source of financial information is the accounts of the underlying company. Hardman & Co has discovered additional risk factors that are not discussed by company marketing material, including significant expenses in excess of disclosed fees and hidden gearing.



## WHY HARDMAN & CO

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Our research capabilities are unrivalled in the industry. Our analysts have an average of 25 years sectoral expertise, working with both public and private companies. Importantly, this allows us to look beyond the product structures and into the underlying companies in a portfolio. We offer the most thorough and comprehensive reviews in the market.

### **Championing the spirit of tax products**

We are unique in our approach as we actively monitor new entrants to the market. We help you stay up-to-date on new market participants, initiatives and news.

This due diligence helps you make suitable and appropriate investment decisions on behalf of your clients, and most importantly, in a compliant manner.

We are committed to tax enhanced investing and supporting the industry.

### **Reputation**

We have a long-established record for high quality independent investment research, which is highly regarded by investors and professional service providers.

We are a trusted provider of analysis and investment perspective, across all industry sectors, and companies of all sizes.

### **Benefits to advisers**

Our investment-led research and capabilities are critical for advisers to:

- Stay compliant
- Have access to audit trails
- Stay up-to-date
- Make informed decisions
- Advise suitably and appropriately
- Save time and money



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## ABOUT HARDMAN & CO

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Hardman & Co has a long-established record for high quality investment research on public companies that stretches back over 20 years. We are now applying this expertise to investments in the tax enhanced sector, enabling us to analyse underlying investments, corporate structures and fund managers. Our team of analysts apply 25+ years of investment expertise in their relevant sectors.

We provide the information that enables advisers to speak to their clients on tax enhanced products with confidence.

### PLEASE CONTACT US FOR MORE INFORMATION

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