Our Private Client Services

Smith & Williamson

Smith & Williamson Group at a glance

- Working with private individuals and their business interests since our foundation in 1881
- Over 1,700 people across 12 locations, in the United Kingdom, Ireland and the Channel Islands
- A leading investment management firm with assets under management in excess of £19bn *(as at 31st March 2020)*
- 8th largest accountancy firm in the UK with services focusing on business-owning families *(Accountancy Age, 2019)*
- Working with families and family members who need financial planning and investment management
- Expertise with multijurisdictional clients

When we can help you or your family

- Final salary options
- Birth of children or grandchildren
- Deaths of parents or grandparents
- Portfolio analysis required
- Multiple portfolio 'pots'
- Inheritance Tax (IHT) or Wealth Tax concerns
- Becoming self-employed
- Redundancy or inheritance
- Relatives going into care
- Moving to a new house
- School fees

Our range of services

Smith & Williamson provide financial and professional services to individuals, their families, trusts, and companies both in the UK and internationally.

Portfolio

- Performance Benchmarking
- Consolidation
- Family Investment Companies
- Discretionary Portfolio Management
- Alternative Investment Market *(AIM)* Investing
- Model Portfolios
- Strategic Asset Allocation
- Tactical Asset Allocation
- Execution Only
- Risk Assessments
- Personal Open Ended Investment Companies (OEICs)

Pension

- Retirement Planning and company scheme advice
- Pension Consolidation
- Lifetime & Annual Allowance
- Small Self-Administered Scheme *(SSAS)* & Self Invested Personal Pension *(SIPP)* Advice
- Carry Forward calculations
- Employer Contributions
- Salary Sacrifice
- Defined Benefit (DB) & Defined Contribution (DC) advice
- Pension Drawdown
- Annuities
- Overseas Pensions

Protection

- Life Cover
- Relevant Life
- Critical Illness Cover
- Income Protection
- Executive Income Protection
- Shareholder Protection
- Key Business Cover
- Business Continuity
- Whole of Life
- Decreasing Term Cover
- Gift Inter Vivos

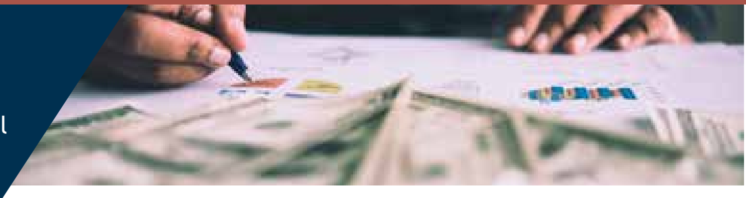
Tax efficiency

- Individual Savings Accounts *(ISA)*
- Junior Individual Savings Accounts *(JISA)*
- Lifetime Individual Savings Accounts *(LISA)*
- Capital Gains Tax *(CGT)* Annual Allowance
- Pensions for children
- Pension Contributions
- Dividend Allowance
- Interest Allowance
- Venture Capital Trusts *(VCT)* Allowance
- Enterprise Investment Scheme *(EIS)* Allowance
- Tax Deferral

Legacy

- Estate Planning
- Cashflow Forecasting
- School Fees Planning
- Philanthropy & Charities
- Offshore Investing
- Immediate Care Annuities
- Discounted Gift Trusts
- Flexible Reversionary Trusts
- Business Relief Investing
- Trusts
- Nil Rate Band Planning

Case Studies



Case Study 1

A cash generating small family business

Introduced to us by an existing client family, we recently engaged with a family business run by a widowed matriarch with three adult children and eight grandchildren.

The business is in the services sector and generates a healthy cashflow.

After initially spending time establishing the goals and priorities for each generation of the family, we set up new bespoke discretionary portfolios for all family members.

For the adult family members, this involved initially consolidating existing ISAs and pensions and then putting in place regular annual contributions to maximise tax efficiency.

For the children within the family, we set up Junior ISAs and pensions to receive the maximum £12,600 per annum. For those children aged 16 to 18, we also funded £20,000 into the full ISA allowance in the two crossover years.

We also looked at the scope for non-working spouses to make use of their ISA, pension and income tax allowances, as well as a review of school fees planning.

Our business continuity discussion identified the need for life cover to ensure shareholder protection, in addition to Executive Income Protection for two key employees.

As part of our discussions about legacy, we advised the use of business relief qualifying investments to mitigate the potential reduction in IHT allowances due to excessive cash holdings within the business.

In addition to providing inter-generational tax planning, we also advised on the use of a trust and offshore investing to both mitigate the potential IHT liability, and provide access to capital during the lifetime of the matriarch.

Six months after our initial introduction, we were asked to provide advice regarding the great grandmother's care costs, after which, we arranged for the purchase of an Immediate Care annuity.

**As at May 2019*

Case Study 2

Established family business with 3,000 shareholders

At the other end of the family business client spectrum, we have a client family that has grown and prospered to such an extent there are now over 3,000 stakeholders.

This size of family brings with it a different set of challenges and requirements.

At the heart of our relationship with the family are individual bespoke discretionary portfolios. However, in addition we look to utilise as many tax reliefs and allowances as possible, from the birth of a new family member, to those reaching 18 years, and those looking to retire or undertake legacy planning.

Our annual review process means that all tax allowances are utilised in a straightforward manner with the 'admin' burden falling on Smith & Williamson. This then leaves the family to focus on their own business priorities, safe in the knowledge that each year, hundreds of thousands in allowances and reliefs are being effortlessly accumulated.

With this size of family there is greater scope to introduce more sophisticated planning. Consequently, within the family group our advice has included a Family Investment Company, a bespoke Open Ended Investment Company (OEIC) as well as Offshore Bonds structures.

We also advised on the family Small Self-administered Scheme (SSAS) as well as retiring family members on their own SIPPs or annuity purchases.

Invariably with successful families, thoughts turn to philanthropy. With this family, we have overseen the creation of a family charity that allows the continuing involvement of family members, which helps to bond the next generations through their involvement with it.

Some family members are additional rate taxpayers with Lifetime or Annual Allowance constraints and as such, we have advised them to invest in EIS and VCT investments to access additional tax consequences within their overall risk appetite.

**As at January 2020*

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