



## Thorntons Investments fact sheet



### What is your corporate background?

Thorntons Investments has been involved in discretionary investment management since 1995 as the investment services arm of Thorntons Law LLP. As of 2014 we established ourselves as a separately authorised company, Thorntons Investment Management Ltd, offering a full range of discretionary investment services, model portfolios and financial planning. The company is responsible for managing approximately £350m for individuals, families and trusts.

### Why should I consider using your discretionary fund management service?

Clients are concerned about performance, service and cost and our focus is to help deliver strong performance with a low overall cost of ownership, whilst helping you to maintain a high level of service to your client.

We have a strong track record of positive independent investment performance and draw on more than 100 years of combined investment experience within the investment team. With a blend of institutional and retail investment backgrounds model portfolios are constructed to optimise strategic allocation and investment selection. Whilst the appropriate risk grading of a client is important our clear objective is to maximise the investment return within their risk parameters.

We believe that in the current investment environment costs will have a significant influence on client returns and that keeping the total cost of ownership as low as possible will be increasingly important in maximising your client's wealth.

Our ethos of high levels of client service is reflected in the model portfolio service offering of a quarterly model factsheet, a monthly investment newsletter and the opportunity to participate in our quarterly model review meetings.

### What is your approach to discretionary fund management?

Our investment approach is driven by investors' wish to maximise returns and minimise losses, which we interpret as a responsibility to protect and grow the value of clients' savings.

Our investment process starts with an investment timeframe of three to five years, being generally the most appropriate for retail clients. A fundamental appraisal of probable investment returns from different asset classes and global regions then informs our strategic allocation strategy. This is then implemented by careful investment selection to ensure appropriate diversification and concentration where there is a higher probability of superior returns.

Our approach to risk is also a forward looking process and not one purely abdicated to volatility, an historic measure. We distinguish real risk as the permanent loss of value and seek to avoid it through appraisal of valuations, sufficient spread and a focus on sustainability of income.

Longer term studies of investment return show that income is the most significant component of total return. This is reflected in our attention to income sustainability and a requirement that all model portfolios generate an 'honest income', sufficient to pay for costs of ownership.

Individual investment selection is one of the most important parts of the investment process. In the debate over passive versus active fund selection, our answer is to employ the best attributes of both in model portfolios. Passives for their low cost and spread and actives for their ability to offer genuine differentiation and prospective outperformance in different market conditions. Active funds are carefully chosen for consistency of process, distinctiveness of holdings and genuine long term active positioning. We expect to meet most of the fund managers directly of the active funds we invest in.

### What investment solutions can you offer through the Nucleus platform?

The Thorntons Investments Model Portfolio Service offers five risk targeted portfolios from Cautious to Adventurous. The models have been designed to cover the vast majority of client risk gradings and have been mapped against industry risk profiling tools. Each model is constantly monitored to ensure that individual investments are performing as expected and that the model's behaviour is consistent with its risk category.

The models can be white labelled for you to own brand for your clients.

### What are your fees?

The annual investment charge for the model portfolio service is 0.3% +VAT.

### Who should I contact to discuss the service further?

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