



ACCREDITED TRAINING PROVIDER

## Private Client Investment Advice & Management

### A 4 days Training Event

The regulations and requirements regarding the provision of private client advice and management have become increasingly complex as the economic environment has also become difficult. Now is the time for advisors to ensure that they are up to date in their understanding of both the market and the regulations.

This 4-day intensive training course enables practitioners to optimise their understanding of the principles of private client investment advice, within the context of the current regulatory environment. By the end of this course participants will be able to structure a suitable portfolio, selecting from a range of financial products, which meets client objectives and is based on the key principles of 'know your customer'; and will also be prepared to undertake regular portfolio reviews and evaluations to ensure continued adherence to client objectives. It will prepare delegates to sit the relevant CISI certificate but will also be of interest to anyone that is involved with the provision of advice to private clients.

### Learning Objectives

Course participants will achieve a thorough understanding of seven key concept areas including

- The implications of the UK legal and regulatory framework as they apply to the provision of private client investment advice and management.
- The impact of taxation on the evaluation of investments and the provision of investment advice.
- The relevance of market-related factors that can influence investment decisions, processes and advice.
- The principles and key features of Trusts and the law governing their creation and management.
- The different types of investment asset classes, financial instruments, retail investment products and schemes available in the UK.
- How to recommend suitable investment schemes for individual customers.
- How to evaluate investment performance and review portfolio requirements in response to market movements and customer requirements.

### Who Should Attend

- Wealth managers
- Financial Planners & Advisors
- Fund managers
- Asset managers
- Candidates for the CISI PCIAM qualification

Our unique 4 day classroom training course features:

- Content-rich study materials
- Up-to-date and industry relevant case studies
- In-depth analysis of course topics
- Smaller class sizes which focus more on personal attention & expert-delegate interaction
- An experienced, expert practitioner-trainer with real industry track-record & available for delegate Q&A for up to 90 days to help in exam preparation following the course.

### Methodology

The expert trainer will use slides, case studies, exercises and lead workshop-style group discussion to engage the delegates in practical learning and understanding. The trainer remains available to delegates for Q&A related to the course topic for 90 days following the course dates.

**Advanced Preparation: None**

**Training Type: Live, in-person, classroom**

**Learning Level 6: Intermediate**

**Field of Study: Financial Planning & Advice Wealth Management Fund Management Asset Management**

**This training course is scheduled for:**

**London UK, 4 days**

April 23 – 26, 2019

November 11 – 14, 2019

**The price per delegate for this 4-day programme is £4,995.00**

(+ UK VAT when applicable)

1:1 training courses available at 2x per delegate price!

**For an in-house training option, alternative dates and locations are available.**

We are happy to add extra content to the programme to meet additional requirements from your company. Please contact us for further information.

[www.riskrewardlimited.com](http://www.riskrewardlimited.com)

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## Private Client Investment Advice & Management

### Course Outline

#### Session 1:

##### FINANCIAL ADVICE WITHIN A REGULATED ENVIRONMENT

- The Legal and Regulatory Framework
- the main provisions of the FSMA 2000
- Secondary Legislation and their implications for the business operations of the private client adviser
- the European Financial Services Action Plan
- the effects of MiFID and CRD on the business systems and controls of the private client adviser
- the role, regulatory objectives and functions of the Financial Conduct Authority (FCA)
- the Prudential Regulation Authority (PRA) and how they affect the control structures of firms
- the FCA's Principles and Conduct of Business rules to the processes of advising clients, managing investments, and reporting to customers
- the rules on "treating customers fairly" and "client's best interest" to the process of advising clients
- the investment adviser's duty to disclose material information about a recommended investment
- conflicts of interest' and their potential impact on clients and business operations, and understand the compliance requirements that exist to prevent such occurrences
- fiduciary responsibilities of intermediaries, the rights of aggrieved customers and the rules for handling complaints
- principal measures to combat financial crime (Insider dealing, Market Abuse, Money Laundering) and their impact on the firm, the private client adviser and the process of advising and managing private client investment

#### Session 2:

##### INVESTMENT TAXATION

###### Income Tax

- the role of HMRC and the structure of the UK self-assessment tax system
- when and how income tax is applied to earnings
- interest and dividends
- capital gains
- simple tax computations
- allowable deductions, personal allowances and reliefs, marriage and civil partnerships and their breakdown
- tax liabilities of minors
- the tax treatment of different kinds of investments
- taxation of income arising on overseas investments
- the tax efficiency of an investment asset within the wider context of suitability for an individual customers
- Capital Gains Tax
- the principles of Capital Gains Tax, and when and how it arises
- GT exemptions and reliefs available
- main residence, exempt assets and exemption limits applicable for individuals, Trusts and estates
- disposal rules for CGT
- special rules that apply to disposals on death and between spouses/ civil partners
- assets purchased prior to and post-March 31st 1982
- taxable gains on an individual's net gains for a fiscal year
- due dates for paying CGT and the use of CGT deferral
- Inheritance Tax
- the liability to IHT, and the effects on IHT liability of chargeable lifetime transfers and transfers on death
- IHT exemptions and reliefs, excluded
- assets, Potentially Exempt Transfers, lifetime gifts and gifts with reservation



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- the rules governing the administration of estates, grant of probate and registration of probate
- valuing assets for probate and life time transfers
- how to calculate IHT liability based on a straightforward example
- the relationship between the valuation of assets for CGT purposes, & the valuation of assets for IHT-related chargeable lifetime and estate transfers
- on shore and off shore funds
- suitability of an offshore investment for a UK-domiciled individual
- the principles behind commonly used estate planning products such as Discounted Gift Trusts, Discounted Loan Trusts, IHT portfolios

### Session 3:

## FINANCIAL MARKETS

### World Financial Markets

- size of world equity markets and predominant asset sectors within each market
- key features of the global government and corporate bond markets
- benefits, risks and costs of investing in developed and emerging markets
- exchange-traded, over-the-counter and alternative markets
- asset and liability matching when managing investments in different currencies
- how indices are constructed, and the purposes and limitations in using them UK Markets
- the main organisations and processes for transacting, clearing, settling and safekeeping domestic financial securities
- the methods by which domestic securities are issued and brought to market
- the purposes and requirements for issuing contract notes
- VAT, Stamp Duty and Stamp Duty Reserve Tax in transactions in financial securities
- nominee companies

### Session 4:

## TRUSTS AND TRUSTEES

### Trusts and Trustee Legislation

- Trusts – arrangement, participants, types, documentation
- the different types of Trust and what each is designed to achieve
- key provisions of the Trustee Act 2000
- the investment powers of Trustees and the Trust Deed.

### Trusts and Taxation

- Chargeable Lifetime Transfer
- the IHT consequences of different scenarios relating to interest in possession
- Charitable status, how Charities are taxed, and the purpose and rules of Gift Aid

### Session 5:

## FINANCIAL INSTRUMENTS AND PRODUCTS

- Bank & Building Society Savings Accounts
- types of bank and building society accounts
- advantages and disadvantages of cash investments
- The Deposit Protection Scheme

### National Savings & Investments ("NS&I")

- characteristics of different NS&I investments
- their suitability for different tax status investors
- terms and penalties for early surrender
- Government Debt
- Types of securities issued by Central Government and Local Authorities
- Features and redemption terms of fixed, floating rate & index-linked bonds
- Strips and strippable bonds
- Redemption dates & the use of sinking funds
- Calculation of accrued interest
- The tax efficiency of comparative stocks
- Break-even inflation rates
- The calculation and interpretation of flat yield and redemption yield
- The features and determinates of the yield curve
- Duration and its determinants
- Modified duration, its determinants and usefulness as a measure to price volatility
- Methods of trading Government Debt including relative merits and disadvantages
- Reasons for investing in Government Debt
- Corporate Debt



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- Features and redemption terms of different types of corporate debt
- Structure and relevance of credit ratings in the evaluation process
- Convertible bonds, and the effect of conversions on a company and its securities
- Capital and interest cover
- Security and borrowing powers
- Building Society PIBS & Perpetual Subordinated Bonds
- Relationship with government debt and yield spread

#### Corporate Equity

- Ordinary shares and types of dividend
- Cumulative, non-cumulative, participating, convertible & redeemable preference shares
- Shareholders' voting rights and their responsibilities
- Capitalisation and rights issues, buy backs and their effects
- Risks and rewards of equity
- Beta values
- Analytical measures of equity valuation, and their relative merits and uses
- Measures of dividend yield, dividend cover, earnings yield, price-earnings ratio, and price:book ratio
- Relevance of the yield gap and reverse yield gap

#### Financial Derivatives

- UK traded options and covered warrants on individual securities and indices 37. Terms and timescales of different kinds of traded options and warrants
- Valuation and quotation of traded options and warrants
- The effect of and treatment of scrip issues, rights and dividends in the underlying security 40. Features of UK company warrants
- Features of financial futures on equity indices
- Relevance of cost of carry and fair value
- Operation and relevance of margin in the clearing and settlement process 44. Features of contracts for difference ("CFDs")

#### Unit Trusts and OEICs

- Similarities and differences

- Types of fund, pricing, charging structures, separation of management and ownership, dealing and settlement, tax treatment

#### Exchange Traded Products

- Features, including types of product, pricing, charging structures, dealing and settlement, tax treatment
- Comparison with other types of product

#### Investment Trusts

- Similarities with and differences from other types of fund
- Differences between conventional and split-level investment trusts
- Concepts of 'B/C' shares and warrants, zero and stepped preference 52. Real estate investment trusts (REITs)
- Determinants and relevance of net asset value discounts and premiums

#### ISAs

- Key features of ISAs &

#### Junior ISAs

- Key features and types of JISA 56. Additional permitted subscriptions
- Private Equity Schemes
- Enterprise Investment Schemes and Venture Capital Trusts including contribution limits, tax relief and suitability considerations
- Life Assurance and Protection Products
- Life assurance products: term, whole-life, endowment; regular premium policies and single premium bonds; with/ without profits, unit-linked; guaranteed income and growth; annuities
- Income, capital gains and inheritance tax implications of investing in life assurance products
- protection products: income protection insurance (IPI), critical illness cover (CIC) and private medical insurance (PMI)

#### Retirement Provision and Eligibility

- State pension provision
- Occupational pension schemes
- the relative merits and disadvantages of defined benefit



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- defined contribution schemes
- Relevance of the Pension Legislation since 2006 in protecting members of occupational schemes including redress and compensation
- Pension tax rules, including annual and lifetime limits
- Types of Pension scheme

## Session 6:

### PRINCIPLES OF FINANCIAL ADVICE

Establishing client objectives and constraints

- risk and return objectives and how to construct a risk-return profile
- the major types of investment risk, and where and how they typically arise
- the impact of inflation, deflation, taxation and charges on investment returns
- the importance of timescale in relation to risk and the time value of money
- the customer profile, particularly the customer's personal details, income, assets, liabilities, expectations, risk tolerance, capacity for loss and existing investment provision
- the regulatory requirements regarding the need for and content of Client Agreement documentation and related communication
- confidentiality and security, Data Protection, fees, periodic reporting and customer communications

Exercise:

Design an investment strategy

- Use key features and risk-reward profile of the main investment approaches including passive/active, buy/hold, momentum, core/satellite, value, growth, direct, indirect, ethical/SRI, lifestyle, hedge and structured fund approaches
- Determine a suitable investment strategy with regard to preferred investment approach, time horizon, income, growth, balance, tax position, costs, market and sector diversification, and expected risk and return
- Analyse the means to implementing that policy, including short-term liquidity, available

investments, choice between UK and overseas markets, and direct and indirect routes

- Specify or recommend appropriate portfolio components taking into account overall
- suitability, cost and ease of implementation and maintenance

## Session 7:

### PORTFOLIO PERFORMANCE AND REVIEW

Portfolio Performance Measurement

- The principles of time weighted and money weighted rates of return
- The principles of risk including volatility, standard deviation, Alpha and portfolio risk
- The main stockmarket indices and how they operate
- indices published by FTSE and WMA
- How to Apply appropriate indices and benchmarks to the comparative analysis of investment performance
- Evaluating and periodically reviewing portfolio composition in order to continually maintain adherence to client objectives



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**RISK REWARD**  
GLOBAL BANKING & FINANCIAL SERVICES EXPERTS

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## Registration & Payment details

Please mark **X** in the box and complete the form with BLOCK LETTERS

Dates:

April 23 – 26, 2019

November 11 – 14, 2019

### Course Fee (per person):

GBP £4,995 (+ UK VAT when applicable)

Email\* \_\_\_\_\_

First name\* \_\_\_\_\_

Last name\* \_\_\_\_\_

Job title / Position \_\_\_\_\_

Department \_\_\_\_\_

Company Name \_\_\_\_\_

Company Address \_\_\_\_\_

City \_\_\_\_\_

Postcode \_\_\_\_\_

Country\* \_\_\_\_\_

Telephone (direct)\* \_\_\_\_\_ Telephone (main) \_\_\_\_\_

Approving Manager \_\_\_\_\_

Training Manager \_\_\_\_\_

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Signature

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Date

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