

Insider

December 2020

In this month's issue

- AJ Bell results
- FinalytiQ Platform Report 2020
- Investival
- 'Off the Road' webinars
- Business as (un)usual
- Retirement Investment Account
- Third-party managed portfolio services
- Scanned documents and e-signatures
- AJ Bell Investments
- Wage War on COVID
- World Investment Outlook
- Christmas opening hours
- Here's to 2021!



Fergus Lyons
Managing Director

I think we can all agree that 2020 has been a mad year, but with Pfizer's vaccine now being rolled out across the UK, it looks like there are finally signs of light at the end of the long coronavirus tunnel.

Another early Christmas present came for us in the form of a fantastic surprise at the UK Platform awards, where we were delighted to pick up two awards – one for the Leading Platform Retirement Proposition and the main award of the night for Platform of the Year 2020.



For those of you who are carrying out financial due diligence, you may have noticed that we recently published our annual results. Full details are available at ajbell.co.uk/investor-relations/reports. The key highlights are outlined below.

AJ Bell results

- Revenue up 21% to £126.7 million (FY19: £104.9 million)
- Profit before tax (PBT) up 29% to £48.6 million (FY19: £37.7 million)
- Total customers increased by a record 63,239 in the year, up 27% to 295,305 (FY19: 232,066)
- Total net inflows of £4.2 billion (FY19: £3.9 billion)
- Total assets under administration (AUA) up 8% during the year to £56.5 billion (FY19: £52.3 billion)

When you consider that the FTSE All-Share index fell by 19% over the last year, it is a set of results that we are very proud of – particularly in such a challenging period for us all. They are a real tribute to the dedication and adaptability of our staff, who have worked so hard to maintain excellent service levels in the face of some unprecedented challenges.

FinalytiQ Platform Report 2020

Speaking of financial results... The good people at FinalytiQ have just released their latest platform report, and I'm pleased to say that we have once again been awarded an 'Excellent' rating. You can download a free copy of the report from [The Hub](#) now.

Investival

Our annual 'Investival' investment conference was a rather different event this year because, for obvious reasons, we had to do the whole thing online. Even so, we managed to attract a huge crowd, with 1,250 people 'attending' the webinars over two days.

As ever, the feedback we received was extremely positive, with attendees giving an overall star rating of 4.3 out of 5. If you missed any of the action or would like a recap, videos of the speakers' sessions are now available on our [Infocentre](#).

All being well, we will return to the usual live gathering next year, and I very much hope to see you all there. We are already taking registrations via [this link](#).

'Off the Road' webinars

As with so many things, the coronavirus derailed our 'On the Road' seminars (if you'll excuse the mixed transport metaphors), so we had to adapt. The answer was our online 'Off the Road' webinar series, which has been running for 10 months, since March.

In total, we have delivered over 30 of these sessions now, with more than 11,000 views to date, which is extremely encouraging. If you were one of those who watched, thank you for your support – it really is appreciated.

As we march towards the holiday period, I would like to take this opportunity to reflect on some of the initiatives and announcements that we shared in previous updates across 2020.

Business as (un)usual

Despite the enormous upheaval wrought by these highly unusual times, when I look back to the first lockdown, I am delighted that we managed to maintain our business standards pretty much as normal. This is remarkable, considering that some 800 members of our staff moved to working from home within a very short space of time. Standout figures from that period are:

- 98% of phone calls answered within six rings;
- 95% of emails answered within 24 hours;
- 97% of 'money-in' credited within a day; and
- 100% of withdrawals made within a day.

The pandemic didn't stop us from continuing to introduce new solutions and improvements to the platform. Here's a quick reminder of some of them.

Retirement Investment Account

We launched our new Retirement Investment Account (RIA) on 13 January as a way to help you match more clients to a pension solution that really answers their particular needs.

As with our SIPP, the RIA gives access to a full range of investments via our Funds & Shares Service, and is supported by all the same functionality, cash management tools and benefit options.

Crucially, though, the RIA has an all-in charge of just 0.25% p.a., with no additional cost for transfers-in, account setup, account administration, or online dealing, and no annual drawdown charges either. The figures break down as follows:

| Retirement Investment Account | Charge |
|----------------------------------|------------|
| Pension portfolio up to £500,000 | 0.25% p.a. |
| Pension portfolio over £500,000 | 0.20% p.a. |

VAT is not payable on the platform custody charge outlined above.

This new option has proved increasingly popular. You can get more information about it, including the lang cat's review and our charges and key features documents, [via our website](#).

- ! The value of investments and the income from them can go down as well as up and your client may not get back their original investment.

Third-party managed portfolio services

In August, we launched a third-party MPS on our platform in order to provide even greater investment choice for you and your clients.

The partners currently available through our RIA, SIPP, ISA and GIA are Brewin Dolphin, Brooks Macdonald, Charles Stanley, FEI and Vestra. More partners will be added over time, according to demand.

Scanned documents and e-signatures

In order to help people who were working from home, we adapted our processes to accept **scanned documents and e-signatures in various circumstances**.

In light of this, we were very pleased when research firm NextWealth published its latest adviser tech report looking at platform technology, and highlighted us as one of its ‘Champions’ and ‘Game changers’ in the area of documentation and e-signatures!

To qualify as a ‘Champion’, firms must satisfy the test of using paper forms for less than 10% of their processes. ‘Game changers’ are the firms that have made the biggest changes to their signature requirements. I hope you’ll agree that this recognition speaks volumes about the progress we have made in this area and our appetite to help you navigate a way through the current situation.

AJ Bell Investments

The latest offering from our investment colleagues saw the team launch the new **VT AJ Bell Responsible Growth Fund** on 30 October. Designed with the growing demand for ESG investing in mind, the fund aims to deliver long-term growth for clients who want to reduce their investments’ impact on the planet.

By focusing on passive investment strategies, the fund seeks to keep costs low while investing predominately in equities, with an ‘adventurous’ style aimed at long-term investors who have a higher risk appetite. The annual charge is capped at just 1% (OCF)*.

In August, the AJ Bell Investments Team also launched a new service called ‘**Fundamentals**’, which gives you full, free access to the team’s investment research capability – including its findings from the many meetings its members attend when trying to identify the best active and passive funds and ETFs to use in their work.

*Full details of the capped annual charge are outlined in the Key Investor Information Document for the fund.

! The value of investments can go down as well as up and your client may not get back their original investment.

Wage War on COVID

In an effort to support those in need as a result of the virus, we launched the AJ Bell ‘Wage War on COVID’ campaign in April, under the umbrella of the AJ Bell Trust.

Many of our members of staff contributed to the fund by pledging either all or a part of their wages for April, May and June, ultimately raising almost £400,000. With this money, we were able to give:

- donations to foodbanks in Manchester, Salford and London;
- 615 free tablet computers to care homes and hospitals, to help isolated people keep in touch with their loved ones;
- 144 tablets to Onside Youth Zones in an effort to help them reconnect young people with education over the summer holiday period;
- a number of donations ranging from £750 to £10,000 – to COVID-19-related causes nominated by our employees; and
- £10,000 to match the money raised by participants in the virtual AJ Bell World Triathlon Leeds. The money will be used to support healthcare staff across all NHS hospitals in the Leeds area.

The feedback we get from those who have received donations from the fund has been extremely positive, and I’m sure that the money and tablets provided will continue to have a beneficial impact for a long time to come.

World Investment Outlook

Attendees at Investival will be aware of our World Investment Outlook bookazine. The world of investments is becoming increasingly unpredictable – with this in mind, we have collected the latest political, economic and market views from a range of leading fund managers. Packaged alongside articles from Russ Mould and Kevin Doran, it’s an interesting read.

You can download a **free e-copy** of it now – I hope you enjoy reading it.



Christmas opening hours

| Date | Opening hours |
|---|---------------|
| Wednesday 23 December 2020 | 9am–5pm |
| Thursday 24 December 2020 (Christmas Eve) | 9am–1pm |
| Friday 25 December 2020 (Christmas Day) | CLOSED |
| Monday 28 December 2020 (Boxing Day in lieu) | CLOSED |
| Tuesday 29 December 2020 | 9am–5pm |
| Wednesday 30 December 2020 | 9am–5pm |
| Thursday 31 December 2020 (New Year's Eve) | 9am–1pm |
| Friday 1 January 2021 (New Year's Day) | CLOSED |
| Monday 4 January 2021 | 9am–5pm |

Here's to 2021!

It just remains for me to finish the last Insider of the year by wishing you nothing more than a 'normal' 2021 – wouldn't that be lovely! I daren't ask for more than that, but with any luck normality will bring a big improvement in our health, wealth and happiness too.

Take care everyone.

! This document must not be copied or reproduced, in part or whole, without permission. This information is for adviser use only.
The value of investments can go down as well as up and your client may get back less than originally invested.