

## Introduction

Rossie House Investment Management was set up in 1993 by professionals from an institutional investment background. The aim was to offer **expert discretionary investment management** for private clients and to offer an **exceptional level of personal service**. The partnership has grown over the years due to our reputation and recommendations from existing clients.

We specialise in the management of investments for individuals, their related trusts, charities and pension funds. Our business is based on building long term relationships with our clients. The most important aspect of this is the performance we deliver. However, we take particular pride in the integrity of our partnership and the trust we have with our clients. Because we are a relatively small organisation and because we have a culture dedicated to private individuals we believe we can offer the highest quality service available. We recognise that good service and performance is only part of what clients expect and we believe we also offer efficient administration and reporting which is up to best industry standards.

## Choosing a fund manager

At Rossie House we think the **independence** of our partnership is a key strength. The financial world is dominated by giant organisations and it is often difficult to feel sure that the assets of private individuals are given the attention they deserve and are being properly looked after. Our partnership structure allows us to run the business for the benefit of our clients with no external interference or conflicts of interest. Indeed, our success as a business is very closely aligned with our ability to provide our clients with first class service and excellent performance. In an era when many firms seem focussed on growing funds under management we are dedicated to looking after the individual interests of our clients. We have grown steadily over the years, being careful to look after our existing clients first and foremost, whilst building the capability to manage new business before taking it on.

We concentrate solely on investment management and have no other business. This ensures that we have no distractions, nor are there any circumstances where the interests of another area of a business may dictate actions which are not in the best interest of our clients. Our primary concern is performance and our selection of investments is untainted by any other factor.

Our partners have been investing on behalf of institutions and private clients in senior positions with leading fund management organisations in the City of London and Edinburgh. We have long experience in managing money in different geographic regions and in good and bad times. Our team at Rossie House has been together for a significant time and we believe our culture and ownership attracts high calibre individuals, team effort and a degree of loyalty which is highly unusual in the industry.

At Rossie House we specialise in the provision of **discretionary investment management**. In this way clients can expect to have their assets professionally managed at all times. Each client's requirements are different and they often change over time. Before taking on new clients, we take particular care to understand and discuss their individual circumstances and aspirations.

We take a **long term approach** to investment. Our style is conservative and we pay at least as much attention to the downside risks of investing as we do to the opportunities to enhance capital. Private investors typically have a limited pot of capital and many entrust us to invest it so as to provide their required standard of living. We are wary of fashionable investments and tend to avoid areas that we do not fully understand. As a result of ever increasing international trade we believe it is important to invest globally. There are many exciting opportunities in less developed markets but we are always mindful of the security of ownership of assets. We make use of the latest technology to aid our research as well as relying on contacts whom we trust and have known over many years.

## Investment strategy

We focus on investing in **Investment Trusts and Open Ended Investment Companies (OEICs)** to access specialist areas of markets, both in the UK and overseas. Investment Trusts or OEICs are made up of shares in a number of different companies, thus spreading the risk and the volatility associated with individual shares. This can be particularly appropriate for private individuals as well as reducing the amount of administration and the complexity of investing directly in companies. There can also be tax advantages in using funds. There is usually no capital gains tax within the funds, allowing portfolios to be constantly updated without paying tax along the way.

There are a large number of funds which offer specialist investment in most asset classes, markets and sectors. We are always on the lookout for the **most talented fund managers** wherever they work. We think this offers a distinct advantage since it is unlikely that any one organisation will have the best fund managers in every area.

Over recent years, at a time when there has been unprecedented change within our industry, there has been a trend for some of the more successful fund managers to set up their own firms. Within these, they are free from many of the restrictions imposed by large institutions and are better able to utilise their **investment flair**. Many aim to offer higher returns by managing limited pools of capital. We are particularly drawn to those managers who have a substantial amount of their own net worth invested alongside our clients.

## Custody and Administration

Rossie House decided early on to concentrate on investment and client service and therefore to outsource the administration.

It is vital that client **assets are safe** and ring-fenced from external events. Our clients use Adam & Company, a subsidiary of The Royal Bank of Scotland, to hold securities in their nominee name. They are responsible for safekeeping of assets, settlement of purchases and sales as well as producing contract notes. Bank accounts are opened in the name of each client to hold uninvested cash and accumulated income.

We offer industry leading administration, which is every bit as vital as performance and an essential part of fund management.

## Reporting

At Rossie House we encourage **regular meetings** to keep up to date with client requirements and changing circumstances. They are also an ideal way to report on the progress of the portfolio and to allow trust to build over the long term.

At regular intervals, usually six monthly, written reports are also sent to clients. We provide **comprehensive information** for the interested, as well as a concise summary of the most important issues for those who wish to have a quick understanding. Clients can expect to receive a portfolio valuation, investment report, performance report, transaction report and bank statements. At the end of the tax year a consolidated tax statement is produced and can be sent either to the client or his/her accountant. A complete record of transactions and estimated capital gain is also sent.

Rossie House Investment Management  
(Registered in Scotland SL002100)  
Authorised and Regulated by the Financial Services Authority

## Biographies

### **Charles Cox** **Partner**

Joined Rossie House Investment Management as a partner in 1994, after spending 18 years in fund management in the City of London with Hambros Bank Ltd where he was made a director in 1987. During his career he was responsible for North American investments, as well as the international division which managed the global investments for overseas institutions and foreign governments. From 1990 to 1992 he was responsible for the private clients and charities division.

### **Jean Matterson** **Partner**

Joined Rossie House Investment Management in 1996 and became a partner in 1998 after spending 20 years in the investment business with Stewart Ivory & Co Ltd where she was made a director in 1988. She managed UK equity mandates, as well as international portfolios. Apart from being responsible for the UK investments in Scottish American Investment Company, her clients have included unit trusts, pension funds, charities and private clients. She is the Chairman of Pacific Horizon Investment Trust plc.

### **Charles Macdonald** **Partner**

Joined Rossie House Investment Management in 2006 after spending 20 years as an investment manager in London and Edinburgh. After 10 years at Barings he moved in 1996 to Stewart Ivory which latterly became part of Adam & Company plc. He has managed equity and fixed interest investments for private clients, pension funds, charities and collective funds.

### **Alistair Harkness** **Investment Manager**

Prior to joining Rossie House in 2010 Alistair was with Brewin Dolphin for almost 10 years having graduated with a degree in engineering. The last 7 years had been in Edinburgh with Bell Lawrie, part of Brewin Dolphin, where he had been working as an analyst specialising in investment trust companies. Alistair is a member of the AIC Statistics Committee.

### **David Nichol** **Consultant**

Founded Rossie House in 1993, having been with Ivory & Sime for 20 years and a director since 1980. He was based in Hong Kong as managing director of Ivory & Sime Asia Ltd from 1989 to 1991. On his return to Edinburgh he became responsible for the private client division. He is Chairman of Pacific Assets Trust plc. In April 2010 he retired as a Partner and is now a Consultant.