

When Moore Stephens Financial Services (East Midlands) was crowned 2010 Chartered Financial Planners of the Year, it sent the firm's profile sky-high, says **Liz Booth**

of the league Top

Winning the coveted Chartered Financial Planners of the Year award was the culmination and recognition of five years of massive change for Moore Stephens Financial Services (MSFS).

Managing director Jon Telford was delighted to watch his fellow board member Jilly Mann receive the award on behalf of the firm.

For Telford, Mann epitomises the huge change that has taken place throughout the company. He explains that it was set up, like so many others, back in 1989 when accountants were able to reorganise, courtesy of the *Financial Services Act* of that year.

Again, like for so many others, the company model was an adviser with a secretary working purely on a commission basis. When Telford joined the firm in 2004,

he was surprised to find little had changed.

Not so now – the firm has completely revolutionised the way in which it does business. “In 2004 we started the process of using platforms and moving away from commission payments,” says Telford.

Since then MSFS has built up a total of £110 million of funds under management and prides itself on top-class service for all its clients. Instead of commission, the firm charges clients 1% for funds under management – something the clients love because it gives MSFS an incentive to grow their portfolio and not simply to churn the money for the sake of it.

Alongside this massive change in approach, the company has also been growing. Telford says the emphasis has always been on staying lean and using technology as much as possible but the firm now has three advisers, three paraplanners and support staff.

MSFS's success has been mirrored by its staff – Mann being a shining example of this. Telford explains that, in the five years she has been one of the team, she has progressed from an admin role to becoming a member of the board and has completed an Open University Classics degree in her spare time. Telford believes that, at the age of just 28, Mann still has huge potential – something that he is eager to develop as he is convinced that, generally speaking, women can be undervalued in this area of the market.

MSFS is still growing too. Telford says it has managed to add between £20 million and £30 million to its portfolio year on year, despite the financial crisis. At the moment about half of the funds are in pensions and the other half in investments.

In many ways, he says, the financial crisis has helped bring new custom to the firm as people want to achieve reasonable returns on their savings with low risk, and investment management service does both those things. They also want to be able to get access to their money when they need it without penalty and without having it tied up.

“I think many people are unhappy with the service they get from banks and building societies and that is why many of them are turning to us and other Chartered Financial Planners,” Telford says.

MSFS has offered clients a range of options – some are happy to have a part of their fund in higher-risk investment options fully aware of the risk of



movement in values, but others want to find better returns for money usually kept in banks or building societies while minimising the risk.

The firm's use of technology has helped too. With offices in Northampton, Corby and Peterborough, at first it appears to be a strictly East Midlands operation.

But Telford says the company is growing in its geographical spread – as existing clients move to other areas and as others learn about its service – and technology is allowing it to offer the same high levels of service whether the client be next door or in New Zealand or South Africa.

He also sees increased opportunities as the market shifts in readiness for the implementation of the Retail Distribution Review (RDR): “We hear of firms growing through acquisition. There is talk of RDR and independent financial advisers looking to leave the sector. Other firms are waiting to snap these businesses up.



Moore Stephens staff proudly display the award.
Below: Jon Telford and Jilly Mann



The Chartered Financial Planner

Under CII rules, eligible members who are carrying on business as providers of financial planning advice, or related activities, to individuals or corporate entities may use the descriptive title Chartered Financial Planner.

For both individual advisers or firms of advisers, Chartered status gives an edge over competitors. It is an objective measurement and verification of a professional approach to meeting clients' needs. It's the seal of approval setting the professional adviser apart.

Research shows that consumers recognise and value the Charter marque as an indication of merit, capability and commitment to ethical practice.

Chartered status has helped accountants, surveyors, civil engineers and other professions to achieve status and respect in society.

At the heart of Chartered status for firms is a desire to help the financial advice and broking disciplines to improve standards of knowledge and behaviour and, in turn, levels of professionalism. This is achieved by creating a framework that encourages and supports firms as they strive to raise standards of capability and ethical practice. A corporate Chartered title is therefore a commitment to an overall standard of excellence and professionalism.

On a practical level this typically involves:

- Using the term 'Chartered Financial Planners' on all business stationery, promotional materials and company signage.
- Describing themselves in these terms in any communications they produce.
- Displaying certification at each of their branches highlighting their Chartered status.
- A listing on the CII's publicly searchable online Chartered firm database. This includes details of the classes of business dealt with, together with contact details.

To date, more than 300 firms have achieved Chartered status. The 2010 Chartered Financial Planners of the Year, Moore Stephens Financial Services (East Midlands) has offices in Corby, Peterborough and Northampton and has 10 members of staff, including investment managers and paraplanners. They are Independent Financial Advisers providing advice across the whole of the market on investments, pensions, tax planning and protection. The firm is affiliated to Moore Stephens UK, which is the UK's 11th largest independent accounting and consulting association comprising more than 1,500 partners and staff in 39 locations.



I think we had underestimated the effect it would have – not just on our team's morale but also on other people's attitude towards us

"They are focusing on purchasing assets under management but maybe not on levels of service," he says. "They are assuming these clients will stay with them but clients are becoming choosy about who is looking after their assets so we focus on high-quality service and – so far so good – people are choosing to come to us."

Never one to rest on his laurels, Telford sees other challenges ahead. "Like many firms, our clients tend to be in their late 50s and older. I think there are opportunities for the younger generation. There will be demand for some simple solutions – and again I think technology will help us.

"But perhaps as a society we need to be talking to younger people more about the benefits of saving. The financial crisis is likely to mean that the excessive credit available in the past will not be around in the future.

"Younger people will need to save first and to build their assets up. Even if they

are putting aside £20 or £50 a month, they are building something. It is something we would like to focus on."

Winning the award, he says, may well help with such projects – simply because it has helped raise the firm's profile.

The news has been picked up by the local and financial media – as well as Moore Stephens Chartered Accountants, which has started to refer more clients than ever to MSFS. "I think we had underestimated the effect it would have – not just on our own team's morale but also on other people's attitude towards us."

Telford says they were thrilled to have pipped a national advisory firm to the post in terms of winning the award – not least because MSFS had only achieved Chartered status early in 2010.

For Telford and his team the award is a stepping stone to even greater success in the future – a future which he believes has a lot of potential. **fs**