

# Gilt Portfolio Service (GPS)

Navigate your financial future



**WALKERCRIPS**  
Investment Management

## Introduction

If you're seeking better-than-cash returns on your savings with a low risk profile, our Gilt Portfolio Service (GPS) could be your compass to financial success; especially if you fall into a higher tax bracket.

### What are gilts?

Gilts are essentially government-issued fixed interest bonds, renowned for their relatively low-risk profile. They are issued by the government to help finance public spending.

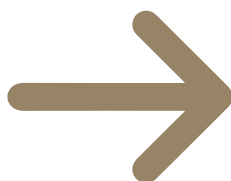
Short-dated gilts have a limited time remaining until they mature at face value. Many of these gilts are currently trading well below their par value, and any profit realised upon redemption is exempt from both capital gains and income tax. Taxation is only applicable to the coupon amount.

Our Gilt Portfolio Service exclusively focuses on short-term gilts, ensuring your funds remain accessible without being tied up for prolonged periods. While these investments offer liquidity, it's important to acknowledge that some tax advantages may be subject to compromise. This portfolio offers a clear-cut risk and return profile from the outset.



### Is my investment secure?

Gilts, issued and backed by the UK government, provide one of the highest degrees of capital security. The UK government has never failed to repay domestically issued debt. Nevertheless, the value of your investment can fluctuate before reaching maturity, potentially impacting your initial investment return. It's noteworthy that, unlike cash deposits, there is no £85,000 cap on the Financial Services Compensation Scheme protection; instead, your funds are backed by the UK government.



## Is the service suitable for me?

- You can invest a minimum of £100,000
- You can commit your funds for a minimum of two years (funds can be made available at any time, but there may be capital gain or loss implications).
- You are open to assuming a low level of risk to achieve higher investment returns than via cash savings in a bank or building society.
- You do not need to earn a regular income from this investment but can wait until the maturity date/s of the gilts to receive your return.
- You belong to the higher rate or additional rate tax brackets



## Why choose Walker Crips?

This exceptional opportunity has arisen due to recent significant increases in interest rates by the Bank of England. Many gilts issued since the global financial crisis feature very low coupons and are presently trading well below their par value (future redemption value).

Notably, any gains realised between the initial purchase and ultimate maturity of gilts are exempt from capital gains and income tax, with taxation applicable solely to the coupon payments. This investment type is particularly well-suited for individuals in higher tax brackets.

### • Holding example

<b>Holding</b>	<b>Treasury 0.125%</b>
<b>Maturity</b>	<b>30 January 2026</b>
<b>Coupon</b>	<b>0.125%</b>
<b>Price (23/11/2023)</b>	<b>91.78p</b>
<b>Gross Redemption Yield</b>	<b>4.36%</b>
<b>Net Redemption Yield (45% Taxpayer)</b>	<b>4.31%</b>
<b>Gross Equivalent</b>	<b>7.83%</b>

## Next steps

To invest in our Gilt Portfolio Service or to find out more information please contact us on



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### Risk warning

The value of any investment and the income from it is not guaranteed and can fall as well as rise, so that you may not realise the amount originally invested. This document has been prepared by Walker Crips Investment Management for customers and/or potential customers who may have an interest in its services.

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References to tax implications and legislation are correct as at November 2023 but are subject to change and will be dependent on your personal circumstances.

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