

Cairngorm Capital acquires Munnypot and Whitefoord to launch Verso Wealth Management, a digital wealth management firm

London and Edinburgh, 15 July 2021: Cairngorm Capital Partners LLP (Cairngorm Capital) is pleased to announce its acquisition of **Munnypot Limited** and **Whitefoord LLP**, to launch **Verso Wealth Management** (Verso), a wealth management group providing financial advice and investment management, powered by a digital platform. The acquisitions are expected to complete shortly, subject to FCA approval, and mark Cairngorm Capital's entry into the financial services and wealthtech sectors – a long-held objective of the firm.

Established in 2015, Munnypot provides an online investment service that delivers affordable and easily understood financial advice to individuals. Built to comply with the FCA's regulatory requirements and connect with the most commonly used industry applications, Munnypot's award winning technology facilitates financial planning, supports product selection and automates client servicing, all enabled by a straight through processing engine.

Whitefoord combines discretionary investment management services and financial advice to provide private clients, trusts and pension funds with a comprehensive wealth management service. Founded in 2000, it offers highly personalised advice, with bespoke portfolios comprising a wide range of investment strategies. It operates its own SIPP, ISA and trust corporation so that its clients can enjoy comprehensive solutions for all their financial planning needs. It recently launched a family office service to meet all the financial and estate planning needs of wealthy families. Based in London with a team of 31 advisors, investment professionals and support staff, it manages investment portfolios valued in excess of £300 million and provides advice on assets exceeding £310 million, as at Q1 2021.

Cairngorm Capital is partnering with an expert management team led by Andrew Fay and Simon Redgrove¹, who will lead the Verso Group as Chief Executive and Managing Director respectively. Vince Whitefoord, Whitefoord's Chief Executive, will join Verso's executive team, leading its discretionary investment management business. Warren Gee, Cairngorm Capital's Chief Portfolio Officer, joins Verso's Board as a non-executive director bringing extensive experience of delivering rapid growth and transformation within the investment platforms sector, gained from his involvement with FNZ, where he was previously UK CEO.

Whitefoord is the cornerstone of a series of planned investments within the investment management and IFA space and Verso is in advanced negotiations with a number of bolt-on targets. Cairngorm Capital's buy, build and transformation expertise will support Verso's management to execute an accelerated growth strategy, to build a market leading, digital wealth management group.

Verso's approach will blend the expertise of its client advisors and investment professionals with an automated advice capability, to provide a high quality and cost effective service to existing and new customers, tailored to their individual circumstances and requirements. The model will support a broader spectrum of customers, including the sizeable segment of the population that has been underserved to date, such as small savers and new investors. For advisors, the technology proposition will alleviate many of the regulatory and operational challenges impacting the IFA community, allowing them to spend more time focused on their clients.

This is Cairngorm Capital's 35th proprietary investment since 2016 and the fifth for its third fund, Cairngorm Capital III, which is scheduled to close later this summer. The firm's investment was led by **Neil McGill and Lucy Graham**. Neil explained, *"Our firm believes that the parallel trends of the increased complexity of consumers' advice needs, their growing adoption of digital services and rising automation in wealth management will endure over the long term. The combination of award winning technology, high quality advice and an exceptional management team ensures that the Verso Group is well placed to capitalise on this. We are delighted to be able to partner with Andrew, Simon, Vince and their teams."*

Andrew Fay, Verso's Chief Executive said, *"Verso will make it far easier for advisors to maximise efficiency, reduce compliance risk and increase revenue. Our goal is to become the leading digitally driven IFA consolidator and there's no limit to our ambition. We would invite any IFA firm that is interested in learning more, to contact us. We are really excited to be partnering with the team at Cairngorm Capital. They have invaluable operational and investment experience in the sector, which we look forward to drawing on. Together as partners, we will have the resources and the expertise to make Verso Wealth Management a very exciting business for IFA's to come and be part of."*

Simon Redgrove, Verso's Managing Director added, *"The need for good quality, affordable financial advice and investment services has never been greater. Our goal is to make this advice available to everyone – not just the wealthy. Already people from all walks of life, use our proprietary technology to buy the core financial products they need; our partnership with Whitefoord will broaden both the types of clients we are able to serve and the range of investment solutions that we are able to recommend."*

Vince Whitefoord, Chief Executive of Whitefoord explained, *"Partnering with Verso is an obvious choice for us and the natural evolution for our firm. We have always embraced the latest technology and recently launched our digital communication portal. The digital advice platform provided by Verso will enable us to leapfrog to the next generation of digital infrastructure. Our clients greatly value our personal service and that will remain unchanged but a wholly automated advice and investment option will allow us to help their families and open up our expertise to a far wider audience. Verso's scale and technology will deliver significant administrative cost efficiencies and regulatory upside."*

Cairngorm Capital was advised on this transaction by Thistle Initiatives (regulatory) and Burness Paull LLP (legal). Munnypot was advised by Ernst & Young LLP (financial and tax), Osborne Clarke LLP (legal) and EY Parthenon (commercial and technology). Whitefoord was advised by Collyer Bristow (legal).

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Notes for editors

1. Andrew Fay and Simon Redgrove co-founded Cavanagh Group, an AIM listed financial advisory firm that was acquired by Close Brothers in 2011. They led Close Brothers' wealth management division until the founding of Munnypot in 2015.
2. The UK wealth management market is large but remains fragmented - 90% of firms have 5 or less advisers. Regulatory pressures and the growing maturity of the sector has resulted in advisers leaving the market, reducing the availability of advice. Much of the provision remains adviser-led, manual and under-penetrated by technology making it difficult to serve smaller investors cost-effectively. As a result, the current IFA advice market only reaches the top 11% of savers and has a significant tail of under serviced clients.
3. In parallel, the UK has a growing and ageing population with increasingly complex advice requirements and a growing savings gap. More than 65 per cent of UK adults do not receive investment advice, and a quarter of people in the UK have no savings at all.
4. For more information on Verso Wealth Management, please visit www.versowm.com



Cairngorm Capital

Cairngorm Capital Partners LLP is a specialist private investment firm providing equity capital and management expertise to leading UK companies. It invests in strongly-performing, private mid-market growth companies in manufacturing, distribution and services industries. The firm's goal is to build and realise value through growth and performance improvements. Cairngorm Capital's unique mix of sectoral expertise and investment skill enables it to be actively involved in the strategy and operational focus of portfolio companies, partnering with management teams to grow revenue, enhance margins, improve cash flow or consolidate industry leadership positions.

www.cairngormcapital.com

Cairngorm Capital's current portfolio includes majority owned stakes in:

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[Building Supplies Online](#)

[E-zec Medical](#)

[Grant & Stone Group](#)

[Independent Builders Merchants Group](#)

[Millbrook Healthcare](#)

[MRO+ Solutions Group](#)

[National Timber Group](#)

[Sentry Doors](#)

[Whyte Bikes](#)

Munnypot Limited provides a fully automated investment service that delivers affordable and easy understood financial advice to individuals. Built to comply with the FCA's regulatory requirements, Munnypot's award winning technology provides a straight through processing engine that dispenses financial advice, facilitates financial planning, supports product selection and automates elements of client servicing.

Whitefoord LLP combines discretionary investment management services and financial advice to provide its clients with a comprehensive wealth management service. Founded in 2000, it offers highly personalised advice, with bespoke strategies and portfolios, to private clients, trusts and pension funds. Based in London with a team of 31 advisors, investment professionals and support staff, it manages portfolios valued in excess of £300million, as at Q1 2021.

www.whitefoord.co.uk