



## EIS MONTHLY CONTRIBUTIONS

**A majority of investors contribute to their pension, ISA and general investment savings on a monthly basis, based on what they are able to afford, making them an accessible and budget friendly option.**

Therefore, Deepbridge are now accepting monthly contributions to both our Deepbridge Technology Growth EIS and Deepbridge Life Sciences EIS Funds, so investing in growth-focused venture capital can be more accessible to your clients than ever before.

The Enterprise Investment Scheme is one of the most generously tax-advantaged schemes in the world, designed to incentivise private investors to invest in young, growing, small businesses; representing the UK innovations and economic growth of tomorrow. Sitting alongside prudent pension and investment planning, EIS opportunities can offer diversification, access to higher growth assets and tax free growth to potentially enable future planning opportunities post-exit.

Renowned market analyst and Head of Tax Enhanced Services at Hardman & Co, Dr Brian Moretta, investigated the effect of adding venture capital to equity/bond portfolios for retail investors, without impacting overall portfolio risk; concluding that EIS investments make a compelling addition to investors portfolios, significantly improving investors' risk/return profiles.\*

## Complementing Retirement Strategies

An investor may wish to use an EIS portfolio to complement existing pension and retirement planning strategies, with a focus on potential higher growth and tax free returns, as well as the shorter-term tax incentives.

For individuals earning over £260,000, their annual pension allowance is reduced by £1 for every £2 extra income earned; with the minimum allowance being as little as £10,000 per annum. For such individuals, contributing to an EIS fund alongside regular pension contributions could be an extremely important tax planning tool.

## Monthly Contributions

From just £1,000 per month per fund  
(From just £12,000 per annum per fund)

Capital is deployed into investee companies on a quarterly basis (being March, June, September and December of each year), subject to the investor having a minimum of £3,000 accumulated into the respective fund.

Easy administration: EIS3 Certificates and investment documentation stored on the Deepbridge Secure Portal

## Tax Reliefs



**INCOME TAX RELIEF:** Investors may claim up to 30% income tax relief, up to a maximum individual investment of £2m per tax year, subject to at least £1m being invested in Knowledge Intensive Companies.



**CAPITAL GAINS TAX DEFERRAL** of unlimited gains on the sale of any assets if an EIS investment made within one year before or three years after the date of the disposal of the assets which give rise to a gain.



**NO CAPITAL GAINS TAX** on the disposal of shares which have been held for at least three years in EIS Qualifying Companies.

**100%**

**100% INHERITANCE TAX EXEMPTION** through the availability of Business Relief may be available after EIS qualifying investment has been held for at least two years.



**LOSS RELIEF** providing total tax relief of up to 61.5% for a 45% tax payer.



**CARRY BACK** relief claims may be made for amounts subscribed for shares in EIS qualifying companies, such that an investment is treated for income tax relief purposes as having been made in the previous tax year, subject to maximum investment levels for that tax year.

## Potential Client Scenarios

- Clients wishing to build a portfolio alongside their pension, so they may potentially reduce their pension drawings and maintain their pension as an IHT exempt pot of capital.
- Clients under the age of 57 who wish to be able to potentially access their capital, subject to exits producing liquidity.
- Clients targeting high growth over the longer term.
- Business directors looking to gradually extract cash from their business in a tax efficient manner.
- Individuals seeking an alternative to pensions and wishing to diversify their investment portfolio.
- Investors wanting to support UK entrepreneurs and innovators, whilst potentially benefiting from the commercial growth of new technologies or medical advancements.
- Investors wishing to invest on a regular basis, as they are used to with pension and ISA contributions.



### MIN. MONTHLY INVESTMENT

£1,000



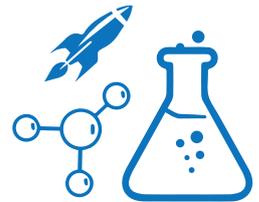
### DEPLOYMENT THRESHOLD

Every £3,000



### INVESTMENT FOCUS

Long Term Growth



### SECTOR FOCUS

Technology & Life Sciences

Prior to investment, prospective investors should read the respective Deepbridge EIS Information Memorandum, including all key risks, fees and investment criteria and the corresponding Investor Agreement therein.

\* <http://hardmanandco.com/tes-white-paper-how-much-should-clients-invest-in-venture-capital/>

## Risks And Important Information

Investments in unquoted companies carry high risks and investors could lose all funds invested. Investors should not invest if capital is required in the near term. No established market exists for the trading of shares in private companies, making it difficult to sell shares. The value of tax reliefs depend on personal circumstances and may be subject to change in the future. The availability of tax reliefs depends on the Company invested in maintaining its qualifying status. Past performance is not a guide to the future performance of an investment, and investors are encouraged to take independent legal, tax and financial advice before considering an investment.



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