

complaint

A claims management company represents Mr B. It says Chancery (UK) LLP gave Mr B bad advice to invest in three film investment schemes and two enterprise zone schemes.

background

One of our adjudicators considered Mr B's complaint. He thought it should not be upheld. He said:

- Two of the film partnership schemes and the two enterprise investment zone schemes were recommended by Chancery's predecessor. Chancery isn't responsible for the advice that business gave. So we can only consider the later advice by Chancery to invest in the final film scheme
- Mr B had previous experience of tax-related film investment schemes, which were not the subject of complaint, so was likely to have been familiar with the paperwork, design and workings of such schemes.
- It was clear from the correspondence between Mr B and Chancery that his main investment objective throughout was to mitigate his tax liability. And that Mr B was willing to consider higher risk investments to achieve this objective of mitigating his tax liability.
- Chancery warned Mr B about the risks so Mr B could make a reasoned decision to invest. Given his previous experience of tax-mitigating investments, Mr B would have been aware of the restrictions involved in selling such investments and would have been aware that the schemes carried significant risks.
- Mr B knew of HMRC investigations into other film partnership schemes that he had invested in before he invested in this scheme. Despite this, Mr B was willing to accept Chancery's recommendations.
- Mr B knew the suitability report and advice he received was directed specifically at the suitability of the film partnership scheme for Mr B's circumstances and objectives. And that if he wanted advice on other savings and investments he should speak to another IFA.
- In all the circumstances, the advice to invest in the film scheme was not unsuitable.
- The complaint is within our jurisdiction. Chancery disagrees. But as he did not think the case should be upheld, he would not say more about this.

The CMC does not agree with the adjudicator, but has not said why.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I agree with the adjudicator that we can only consider the complaint about the later advice given by Chancery (UK) LLP. And I agree that that complaint shouldn't be upheld for the reasons he explained.

my final decision

I don't uphold Mr B's complaint about Chancery (UK) LLP.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 January 2016.

Philip Roberts
ombudsman