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Savers frozen out of second Woodford fund: But guess what? He is STILL charging them fees

By [LUCY WHITE FOR THE DAILY MAIL](#)

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Neil Woodford is still raking in fees from his doomed investment empire even after barring savers from taking their money out of a second of his funds.

In yet another insult to investors who trusted the once-feted fund manager with their money, the 59-year-old is taking £5,000 a day from customers with savings in the Woodford Income Focus fund.

But while Woodford continues to cash in, investors have been stopped from withdrawing their cash from the fund following the implosion of his business.





In yet another insult to investors who trusted Neil Woodford with their money, the 59-year-old is taking £5,000 a day from customers with savings in the Woodford Income Focus fund

Link Fund Solutions, the firm charged with overseeing the management of Woodford's operations, froze the Income Focus fund yesterday.

The move came after Woodford resigned from running the fund on Tuesday, having been fired from managing his separate Equity Income fund hours earlier.

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But he will remain in place as the manager of the £253million Income Focus fund until a successor is found, allowing him to keep raking in fees.

His decision to keep charging savers mirrors a similar move at his Equity Income fund.

After Equity Income was frozen in June, signalling the beginning of the end for the Woodford empire, he continued to collect £65,000 a day from savers.

He was finally fired but only after his now-collapsed firm Woodford Investment Management pocketed fees of £8.8million since the fund was frozen.

Former pensions minister Baroness Ros Altmann said: 'This totally undermines the confidence of the ordinary investor.'

What now for worried investors

Equity Income

Investors have been denied access to their cash since June 3. The fund will begin to be wound up on January 17.

That is when money should start to be returned to investors.

But savers face a long wait before they get all their money back. And they are likely to get back far less than they put in.

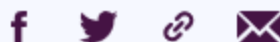
Income Focus

This fund was frozen yesterday, stopping savers from accessing their money. Administrators Link say they will update investors within two weeks.

Until that update, it is unclear when savers will get their money back.

Patient Capital Trust

The trust trades on the stock market. This means that investors can buy or sell at any time. But with shares at a record low, savers face heavy losses.



'Smaller investors rely on a regulatory system that is letting them down. You have to wonder where the regulator was in all this – asleep at the wheel, it seems.'

Why does the Financial Conduct Authority not have powers to stop a manager taking fees in a situation like this?

Justin Madros, of Candid Financial Advice, added: 'Woodford really alienated

Justin Modray, of Candid Financial Advice, added: 'Woodford really alienated investors by charging management fees on a fund suspended because of his own poor judgement.'

Link's decision to fire the fallen manager has caused his empire, Woodford Investment Management, to crumble.

Asset managers Blackrock and Park Hill have been appointed to wind up the Equity Income fund, selling assets and returning money to investors.

Woodford resigned as manager of his two other funds, Income Focus and the Patient Capital Trust, and decided to shut down his firm.

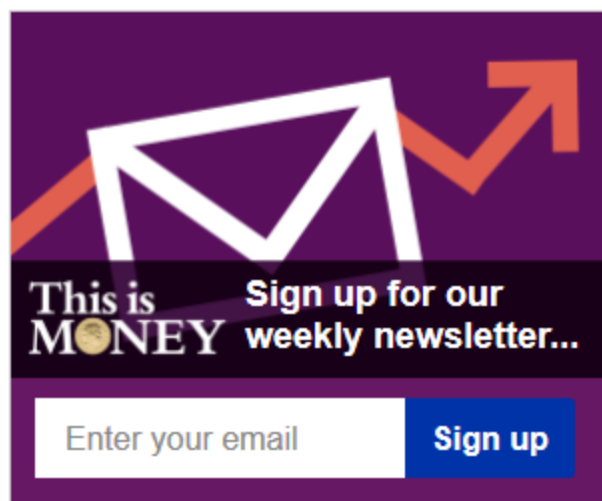
The downfall of Britain's most famous fund manager follows years of dismal performance.

The Equity Income fund saw its value peak at £10.2billion in June 2017 but is now worth just £3billion.

Income Focus has seen its value fall from £747million to £253million while shares in Patient Capital have fallen 73 per cent.

He has a six-month notice period to work through at the Income Focus fund. If he remains manager for all of that time, investors will pay him another £900,000 in fees.

Link is hoping to hammer out a deal to decide the future of the Income Focus fund within the next 13 days.



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