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## Invesco Perpetual fined £18m by FCA



Invesco has apologised for putting consumers at risk

The UK's largest retail investment manager, Invesco Perpetual, has been fined £18.6m by the city watchdog for exposing investors to unnecessary risk.

The Financial Conduct Authority (FCA) said investors had lost £5m, but the losses could have been greater.

The fine is one of the largest of its type ever imposed.

Invesco Perpetual said the funds involved had been "fully reimbursed", but [admitted it had fallen short](#) of its usual standards.

The FCA said that over a four year period, between 2008 and 2012, the company had failed to comply with investment limits, which are designed to protect consumers from undue exposure to risk.

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Tracey McDermott Financial Conduct Authority

The rules were broken on 33 separate occasions.

The firm also failed to explain the use of derivatives - complex financial instruments - to its investors.

'High standards'

Two of the funds involved - the Invesco Perpetual High Income Fund, and the Invesco Perpetual Income Fund - were managed by Neil Woodford, one of the UK's star fund managers.

After a long and successful career at Invesco Perpetual, Mr Woodford left the company earlier this month.

"Investors of all sizes trusted Invesco Perpetual to manage their money," said Tracey McDermott, the FCA's director of enforcement and financial crime.

"They signed up for a certain level of risk, but we found Invesco Perpetual's actions were at odds with investors' reasonable expectations," she said.

The company said it was confident that its systems and controls had now been improved.

"The small number of impacted funds were fully reimbursed," said Mark Armour, the chief executive of Invesco Perpetual.

"In this instance, we clearly fell short of the high standards we consistently strive to deliver," he said.