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Folton

# Experts in Alternative Assets

Collectors Guide | Third Edition

Welcome to Folton

# A background to Folton, the experts in fine assets.

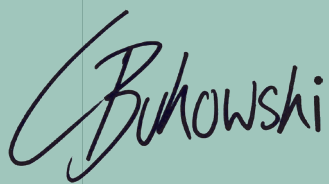
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This guide will provide you with a summary and brief outline of what products and services are available at Folton. We endeavour to provide every client with all the information they need to make well informed decisions. Whether you are a collector or an investor, Folton are here to help you achieve the outcome you desire.

At Folton, our number one priority has always been customer satisfaction. We firmly believe that a premium product deserves a premium service and ensure that every single client that works with Folton enjoys the experience throughout.

We offer a unique, personalised buying service to all of our clients through our team of specialists who are on hand to assist you and create a tailored package to fit your needs. This can be done over the phone, online or with a face to face appointment at our London office.

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**Calum Bukowski**

Co Founder and Director

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# History of Gold

Since its discovery 5,000 years ago we have prized gold as a symbol of wealth, power and success. The allure of gold has been and still is powerful and compelling, yet all the gold ever mined would fit into an area measuring just 21 cubic metres and it is this rarity that has given gold its monetary value which has allowed us to trade gold long before the first gold coins were produced in 560BC.

Precious metals have been sought after through the ages; a universal symbol of status and wealth appearing in cultures all over the world. Gold and silver have also been linked with the celestial throughout history. The Incas believed gold was the sweat of the Sun, with silver being the Moon's tears. These luxurious metals have fascinating stories that lead right up to the modern day.

Gold has played a pivotal role in human civilisation and economic development for millennia, with a rich history dating back to ancient Mesopotamia. Often seen as a means of protecting against inflation and economic instability, gold has the potential to deliver stable returns on investment.

## A treasure and a symbol of wealth

Throughout history, gold has always been recognised as a valuable asset. Some of the earliest records describe gold as being desired, both as an art form but also as a form of currency. Since gold coins were first struck in around 550 BC, they formed an important foundation to our monetary system. However, treasures containing gold have been discovered which date back from as early as 4000 BC.

This means the relevance of this asset has been linked to power and wealth for a considerable time. Even when countries moved away from gold coins and into the convenience of paper money, the 'gold standard' meant that this paper currency still retained an important link to gold.

The very nature of what makes gold precious is the rarity and scarcity of the metal, something which has continued to fascinate people to this day. But just how rare is gold? Consider this, gold is so rare that the world produces more steel in an hour than it has poured gold since the beginning of recorded history!

It also has many uses. Over half of the gold used today is used for jewellery and around 25% is used for coins and bars, but it also plays an important role in industry. Technology is a big driver for gold demand, and alongside other precious metals, it's used in everything from smartphones to electric cars.

## Why Buy Gold

There are many reasons people find gold an attractive proposition, because it is beautiful, because it never fades away, because gold is tangible, long lasting and precious. Whatever your reason for buying gold, we are here to help you make it simple and safe.

"Gold is money. Everything else is credit" - J.P Morgan

## Why buy gold?

Gold is a unique asset. Gold is no ones liability and its phenomenal performance over recent decades speaks for itself. As such, it can play a fundamental role in any investment portfolio.

Gold acts as a hedge against inflation and as a diversifier in times of market stress.

Key facts that you should know:

- Gold is a mainstream asset driven by many factors
- Gold provides competitive returns
- Gold is one of the most effective diversifiers

The combination of these factors means that adding gold is a great way to diversify your portfolio.

## What gives coins their value?

Coins derive their value from two principal sources. The first is the physical metal contained within the coin, this is known as the bullion value. Due to the fact that many collectible coins are made from gold or silver, they carry an intrinsic value.

The bullion value of a coin can be calculated by multiplying the number of ounces of metal in a coin by the spot price per ounce of the specific metal at any given time.

The second source of value in a coin is its numismatic value. This value applies mainly to rare coins and is harder to determine than bullion value. The value of numismatic coins depends on a number of factors. For instance, the fewer examples of a coin that were minted the higher its numismatic value is likely to be.

Additionally, a coins condition also plays a major part in its numismatic value. For example, a coin that is in uncirculated condition will cost more than a coin that has been in circulation for a long time.

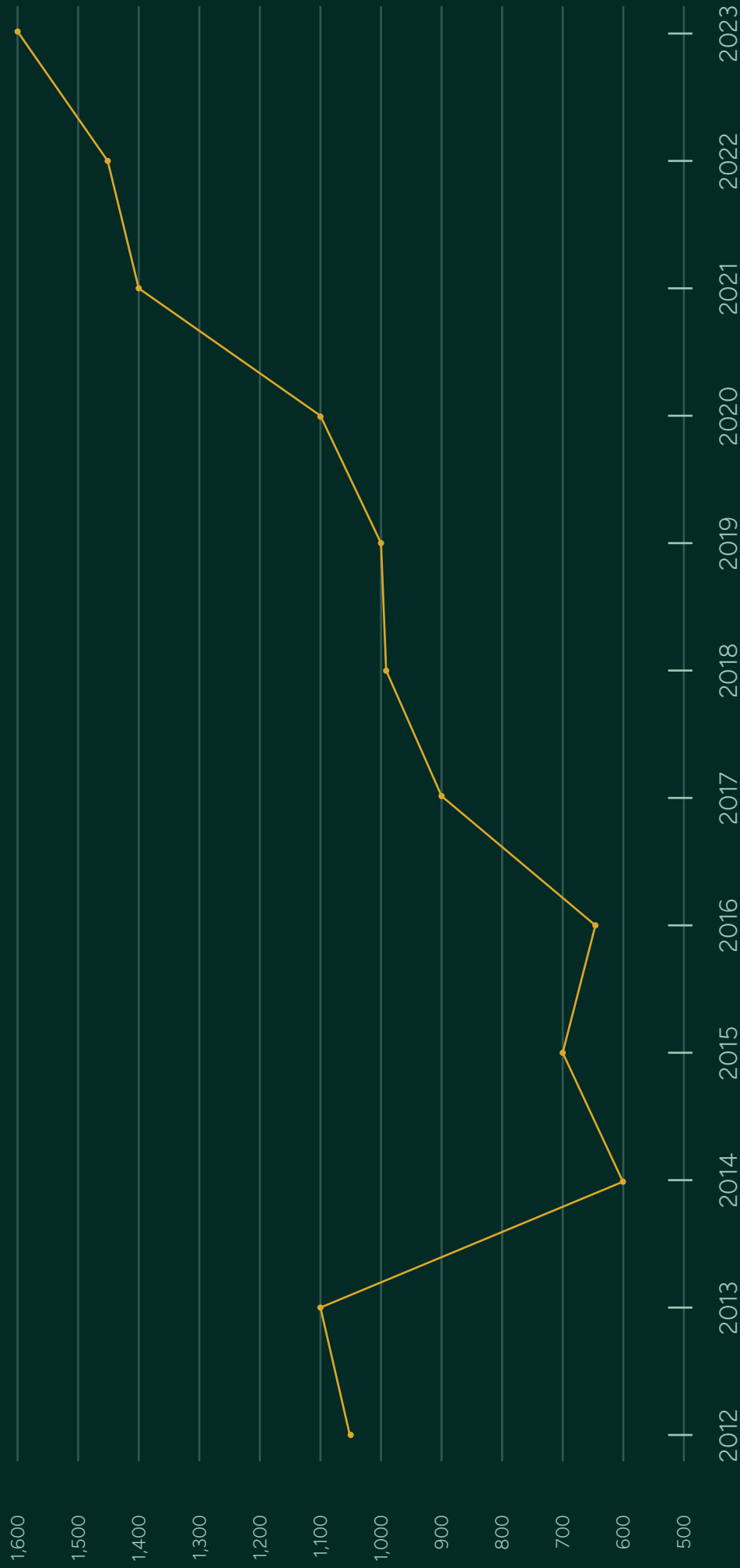
The bottom line is that there are different ways of owning gold coins, which is why we recommend contacting us to help you create a tailored package specific to your circumstances. There are a number of different products available that can be combined to create your very own portfolio.

## Is there tax on gold?

Gold coins have a unique advantage for collectors and investors concerned about value and tax.

From 1st January 2000, VAT was abolished on gold of a certain purity by Her Majesty's Revenue and Customs. Additionally, for British Legal Tender coins there is total exemption from Capital Gains Tax. Coins such as Britannias and Sovereigns are VAT free and CGT free.

# Gold Price Performance



Gold Price

Annual gold price 2012 - 2023  
Source: [www.goldprice.org](http://www.goldprice.org)

# Ways & strategies

## Gold Bars

We supply a range of 24 carat gold weighted bars with values ranging from £100 to £50,000.

Following purchase of your gold bar, you will take delivery securely through one of our insured couriers. We recommend that you store the gold securely in a safe or storage facility of your choice.

## Bullion Gold Coins

Bullion coins are a great way of gaining exposure to gold at small premiums above spot price. This has the benefit of using current Capital Gains Tax (CGT) benefits due to the gold being in the form of coins. Gold coins have a unique advantage for those concerned about value and tax. From 1st January 2000, VAT was abolished on gold of a certain purity by Her Majesty's Revenue and Customs and for British legal tender gold and silver coins, they are exempt from Capital Gains Tax entirely.

## Gold price change in the last decade

Please see the price change in spot gold over the last 20 years. Past performance is not a guide for future performance.

May 2003	£224oz
May 2023	£1,626oz

\*prices correct as of 30th May 2023  
Source: [www.goldprice.org](http://www.goldprice.org)

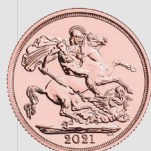


# Gold Coin Examples



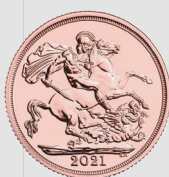
## The Quarter Sovereign

Alloy	22 Carat Gold	Quality	Proof
Weight	2.00g	Year	2021
Diameter	13.50mm	Additional Features	Privy Mark
Reverse Designer	Benedetto Pistrucci		
Obverse Designer	Jody Clark		



## The Half Sovereign

Alloy	22 Carat Gold	Quality	Proof
Weight	3.99g	Year	2021
Diameter	19.30mm	Additional Features	Privy Mark
Reverse Designer	Benedetto Pistrucci		
Obverse Designer	Jody Clark		



## The Sovereign

Alloy	22 Carat Gold	Quality	Proof
Weight	7.98g	Year	2021
Diameter	22.05mm	Additional Features	Privy Mark
Reverse Designer	Benedetto Pistrucci		
Obverse Designer	Jody Clark		



## The Double Sovereign

Alloy	22 Carat Gold	Quality	Proof
Weight	16.98g	Year	2021
Diameter	28.40mm	Additional Features	Privy Mark
Reverse Designer	Benedetto Pistrucci		
Obverse Designer	Jody Clark		



## The Five-Sovereign Piece

Alloy	22 Carat Gold	Quality	Proof
Weight	39.94g	Year	2021
Diameter	36.02mm	Additional Features	Privy Mark
Reverse Designer	Benedetto Pistrucci		
Obverse Designer	Jody Clark		



## Why Graded Coins

# Why graded coins?

Many collectors and investors prefer to buy coins that have been officially certified, or “graded,” because it ensures authenticity, condition, and the overall quality of a coin. The two main grading services are the NGC (Numismatic Guarantee Corporation) and the PCGS (Professional Coin Grading Service). They are the two most reliable and consistent services when it comes to coin certification. Furthermore, they guarantee the grades and authenticity of the coins. An NGC or PCGS graded coin has a higher demand in the market.

Graded coins are normally far more valuable than ungraded coins, especially an ungraded, unprotected coin, which can be subject to damage. Collectors and investors prefer coins in the best condition possible, for obvious reasons. Whilst ungraded coins have no guarantee of condition and quality, graded coins are certified by a professional grading company with a recognised grade on a scale of 1 and 70 (please see following detailed chart). Once the coin is graded, it is then sonically sealed in a clear, tamper-proof holder. This ensures the coins beauty, quality and value is protected.

## NGC/PCGS Coin Grading Scale

The NGC and PCGS uses the internationally accepted Sheldon grading scale of 1 to 70, which was first used in the United States in the late 1940s. This scale was adopted by NGC when it began operations in 1987 and by PCGS in 1986 and is considered to be the industry standard. You can find the following NGC and PCGS grading standards for each numeric grade as well as major strike types and designations.

## Strike Type

MS - Mint State. Coins struck in the same format as circulation issues. Applies to grades 60 to 70.

PF/PR - A coin usually struck from a specially prepared coin die on a specially prepared planchet. Proofs are usually given more than one blow from the dies and are usually struck with presses operating at slower speeds and higher striking pressure. Because of this extra care, Proofs usually exhibit much sharper detail than regular strikes.

## Numeric Grades

NGC and PCGS uses a numeric grade to succinctly describe a problem-free coin's condition. The available numeric grades range from 1 to 70 based on an internationally recognised scale developed in the 1940s. As the numeric grade increases, a coin's condition is considered to be better. Some numbers are skipped below the grade of 60, which is the threshold for a coin to be considered Uncirculated.

# NGC/PCGS Certified Gold Coins

At Folton Group, we specialise in certified gold coins and this is where most of our clients have begun their collections with us because they can be sure that these coins remain of high quality and beauty. Values of certified coins, also known as graded coins, are not solely dependent on the value of gold. Other factors such as collectability and demand can also increase the price over time.

After a coin has been graded, it is then sonically sealed in a clear, tamper proof holder specially designed for long term preservation and protection with numerous security features. Along with the NGC and PCGS guarantee you are ensuring the long term preservation, protection and value of your collection.

## Top Performers



### 1887 GB Victoria Gold Half Sovereign PCGS Graded MS66

January 4th 2010	May 17th 2020	Price Difference	+£999.67
Sale Price: £676.80	Sale Price: £1,676.47	% Increase	+147.7%
		Time Period	10 years, 4 months



### 1937 GB George VI Gold Proof 5-Pounds Sovereign NGC Graded PF66 Ultra Cameo

June 1st 2007	August 7th 2020	Price Difference	+£39,852.84
Sale Price: £2,180.16	Sale Price: £42,033.00	% Increase	+1,827.9%
		Time Period	13 years, 2 months



### 1839 Victoria Gold Proof 'Una and the Lion' 5-Pounds PCGS Graded PR64 Deep Cameo

January 5th 2015	January 10th 2022	Price Difference	+£219,253.00
Sale Price: £169,809.00	Sale Price: £389,062.00	% Increase	+129.1%
		Time Period	7 years, 0 months



### 2020 GB Elizabeth II Gold Proof 'The Three Graces' 2oz NGC PF70 Ultra Cameo First Release

September 26th 2021	January 10th 2022	Price Difference	+£3,656.71
Sale Price: £15,796.44	Sale Price: £19,453.15	% Increase	+23.14%
		Time Period	0 years, 5 months

# FAQs.

## What exactly is 'Bullion'?

The term 'bullion' applies to both bars and coins. Bars, or ingots, have to be 99.5% pure gold in the EU. They include the 'good delivery' bars used in the wholesale bullion market that can weigh up to 13kg. Bullion coins have to be at least 90% gold by law.

## Should I buy coins or bars?

Buying bullion is exciting but if you're new to precious metals you may not be aware of the different possibilities and purchasing options that are available to you. There are benefits to each option of owning gold and should you wish to explore further please contact us and we will be happy to help you find the right option for you.

## Are coins exempt from capital gains tax?

UK bullion coins including sovereigns and Britannia coins are exempt from UK capital gains tax.

## Is VAT payable on gold bullion?

As of the 1st January 2000, gold bullion is not subject to VAT.

## Do you send my order directly to me?

Yes, every gold coin we sell is sent directly to you via insured next day delivery.

## How do I contact Folton?

You can contact us by visiting [www.folton.co.uk](http://www.folton.co.uk) or by calling 0204 587 1838

## What is the LBMA?

The LBMA (London Bullion Market Association) is an international trade association representing the London market for gold and silver Bullion.

## Testimonials

“““

“My experience with Folton Group was positive from the outset. I had a very limited knowledge about the type of purchase I wanted to make, so I really needed someone to take the time to walk me through my options. Everything was laid out clearly for me and made easy throughout the whole process. Overall, a great service and one I will be coming back to in the future.”

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“““

“I purchased a 1980 Gold Sovereign from Folton Group. The service I received was first class and when I had to sell my coin everything was dealt with swiftly and took around 3 days to arrive back into my bank account. I look forward to working with them again”

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“““

“Having never done this before, I was a little nervous. I needn't have worried. The team at Folton Group were excellent! Great communication, great service and next day delivery. I would recommend them to anyone looking to get started in the gold coin market.”

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“““

“Folton have provided an amazing service throughout. Great customer service, fast delivery time and great prices.”

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“““

“I have bought two coins through Folton Group. Excellent service from start to finish, my coins arrived next day as promised. Would definitely recommend Folton to anyone looking to purchase gold or gold coins”

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“““

“I discovered Folton Group nearly a year ago and in that time have found them to be very professional and knowledgeable about the gold market and the collector coins. The staff are very courteous and friendly and really make me feel valued, spending time discussing my requirements and keeping me informed. I would be happy to recommend them to anyone.”

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“““

“I have used Folton for over 18 months now after using other companies in the past and can confidently say I will only ever deal with Folton when it comes to my gold purchases.”

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“““

“I have had a great experience with Folton. From the minute I received the brochure to the day I received my coins the customer service has been brilliant. If you are looking to start your journey in gold then look no further.”

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# The Purchasing Process

## Step 1

### Speak to an Expert

At Folton, our team of experienced account managers are waiting for your call. We are more than happy to walk you through every step of the buying process and answer any questions you may have.

## Step 2

### Discuss

If you wish, your designated account manager can help you create a personalised portfolio tailored to your financial position. Many investors and collectors tend to start with a few coins and add to their portfolio over time.

## Step 3

### Place Your Order

After discussing shipping and payment options your order will be processed and your account with Folton will be opened in your name.

## Step 4

### Delivery

Once your order is processed and payment has been completed we will despatch your order. Your order will be delivered the next working day via our insured courier partners.

## Step 5

### Updated

Our number one priority is customer satisfaction and we intend to keep our clients updated on a regular basis with relevant market updates and exclusive opportunities.





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Disclaimer

Values may fall as well as rise. Any information relating to past performance of gold is not a guide to future performance. Prices may go down as well as up. Always seek independent advice before buying any fine assets.

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