

Your life, your money, your future

1 - Not enough time?



"There's not enough time in the day" is a familiar refrain uttered by business people. There seem to be more and more regulations to comply with and less time to get on with "doing the business".

The pace of change over the last 10 years or so appears to be showing no sign of slowing down. Indeed, life is probably changing faster than ever before. Technology seems to change almost daily.

Although there is certainly more information available to us all there is the risk that too much information leads to a form of paralysis - there's so much to take on board that sometimes the easy decision is to do nothing.

Business people frequently tell us that they are too busy to sort out their own finances. It sounds like the old story about the cobbler's son being the worst shod in the class.

Wise business people realise that they don't have the expertise to solve all problems that they face - so they look for appropriate professional advice. But where do you get professional financial advice from?

The very best financial planners will have one of two top level qualifications.

A certified financial planner, an internationally recognised qualification, has to demonstrate not simply high-level technical qualifications but also to demonstrate the ability to use such knowledge to solve real-life problems.

A chartered financial planner has only to demonstrate a high level of technical knowledge - not every chartered financial planner has the ability to apply the knowledge in the real world, although many can.

2 - When were your finances last reviewed?

Change it is a constant. Births, marriages, divorces and retirements we have some control over. On the other hand, tax and changes in legislation we have little control over.

As this article is being written, the European Court has ruled that women must not be allowed cheaper car insurance as it is discrimination! To most of us this is a nonsense but it is very difficult to change. We can only react to the change (if you are a woman you will now have less to spend on other items).

Regular reviews are essential to prevent one from being blown off course. If it takes five years to realise that you are off course it may take many years to get back on track. If small but frequent changes were made every year your journey will be less traumatic.

4 - What's your number?



Successful business people have a business plan which they regularly review and adapt as necessary. They have targets which they set and which are measured so that success or failure can easily be identified.

In contrast, experience tells us that very few people have a personal financial plan. Yes, they have an idea that they want to stop working at a certain age but they have little or no idea how much money they need to accumulate for them to live the lifestyle that they wish.

Real financial planning is about identifying the life that you want to live and then taking small steps to make your dream a reality. It's not about saving so much money that you can't do anything but work. It's about achieving the right balance between work and play, what you spend and what you save.

It's about spending time with and helping your family. It's about getting the most out of what little time we have on this planet.

For business people, we suggest that one day a year should be spent out of the office or workplace concentrating on you and your family. Away from interruptions you can concentrate on your life, your future and your money. A trusted financial planner can be relied upon to "give it to you straight". A trusted financial planner can be relied upon to act in your best interests.

A highly confidential service allowing you to look into your financial future will help you to identify any problems that you might face and - crucially - to take steps to eliminate them.

5- Case Study

Neil & Sue Builder worked hard, very hard. But they enjoyed the lifestyle which they had created for themselves and their daughters Rebecca and Lucy.

Neil was 45 and he had a plan - his own financial plan.

Because Neil hated three things:

- His mortgage.
- Pensions.
- But most of all, financial advisers!

So Neil's plan was simple - to pay off his mortgage as quickly as possible. Then, mortgage free, he intended to accumulate as much as possible via his business between 45 and 55 - so he could retire early.

Neil didn't think he had a problem. And he didn't need any 'advice'. But his accountant encouraged him to see a lifestyle financial planner.

First his planner spent some time getting to know Neil and Sue, then he helped them tune in to the real lifestyle they wanted to enjoy throughout their life. He also wanted to understand why '55' was so important?

Neil wanted to escape at age 55 and pursue his passion of sailing whilst he was still young enough, and fit enough to participate in it. He wanted to cruise the Med. He wanted to cross an ocean. Neil wanted to see the world. He wanted to 'do stuff' - 'before it's too late!'



But why 55?

Neil shared with his planner the fact that his father had worked his whole life, right through to age 65, only to drop down dead at age 67. That was Neil's motivator. He could not bear the thought of that happening to him. He knew - and understood - that 'Life is NOT a rehearsal' and Neil lived it accordingly. That's why Neil worked so hard now, so he could 'escape' early.

So, understanding his clients, his planner said he would work with Neil and Sue to calculate their Number - the amount of money they needed by age 55 to ensure they could live the life they wanted - without fear of ever running out of money. His planner built in the cost of continuing private education for Rebecca and Lucy. He built in the cost of two daughters weddings. He got Neil & Sue to really think about the lifestyle they wanted at various stages of their lives.

And then he crunched their Number.

He explained, that on agreed assumptions, Neil & Sue's current plan - Neil's plan - would see them running out of money by age 67! Not good.

So his planner then helped Neil & Sue to understand just HOW MUCH they needed to accumulate by age 55 in order to prevent EVER running out of money whilst living the life they wanted.

It was a **BIG NUMBER**.

Our planner then worked with Neil & Sue to help find ways of accumulating the money, including how they could utilise their greatest asset (their business) to build their Number.

Neil & Sue are now well on course for their Number and their intended retirement at age 55. Neil now has a reason to work hard; a 'WHY'. Neil is motivated. Neil is inspired. Neil knows where he is going.

They continue to meet with their planner on an annual basis to constantly review their financial planning, to ensure they stay on track. For Neil & Sue he plays various roles; that of a planner, a mentor and a coach, mostly inspiring but sometimes nagging Neil & Sue to do the things they need to do to get to where they want to go.

And that's easy to do - when you know your Number.

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