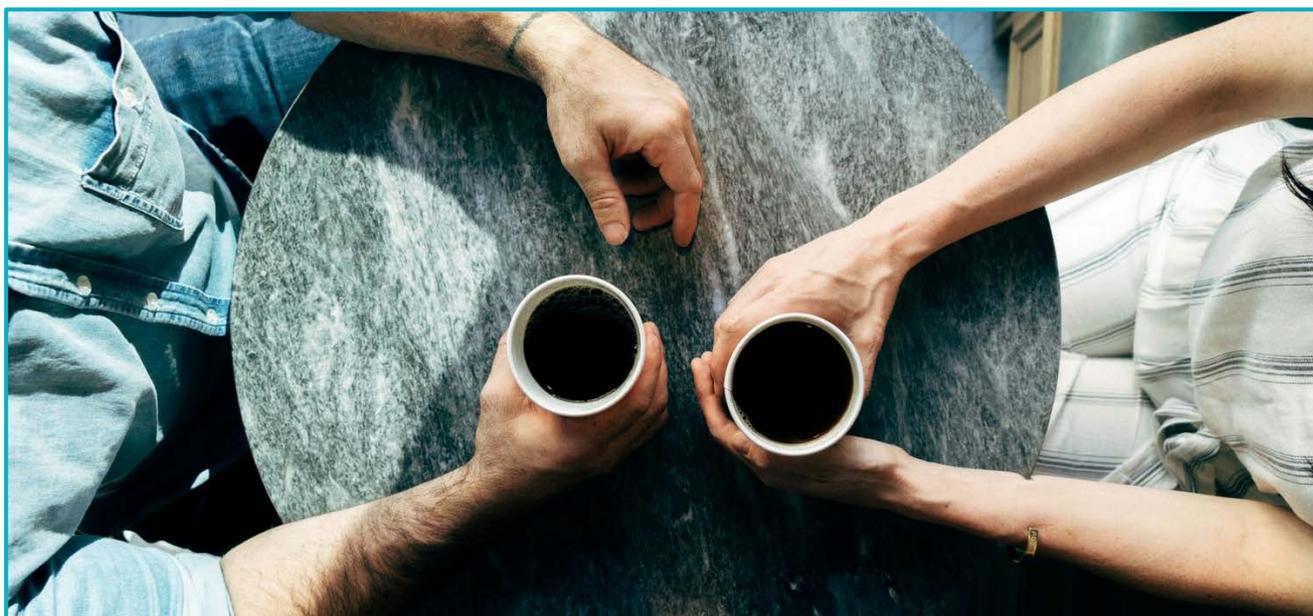


People like you - case study 2

David & Penny: planning for the unexpected



David and Penny first got in touch with us in 2007.

David had developed an innovative piece of software a couple of years earlier and, as is often the case in these situations, a large technology company had made him an offer he couldn't refuse and he had just sold his business for £25m.

In their mid-30s with two young daughters and a third baby on the way, they wanted to make sure that this money was allocated sensibly to ensure the family's long-term financial security. David did not intend to stop working. Like many entrepreneurs he was already planning his next business venture, for which a chunk of the capital would be needed to fund it until it got off the ground, but they wanted the remainder to be invested sensibly to give them peace of mind, knowing that David worked because he wanted to, not because he needed to.

Penny was originally from New Zealand and was not UK domiciled. This introduced a layer of added complexity in terms of asset location – making sure that the capital was invested as tax-efficiently as possible – and potential tax implications.

Outcomes

- *We introduced David & Penny to lawyers within our professional network who were familiar with working with non-UK domiciled clients.*
- *We introduced David to an accountant who could provide assistance with his new business venture.*
- *The three firms then worked together to ensure that their investment portfolio was structured as tax-efficiently as possible.*
- *Trusts were created for the long term benefit of the children.*
- *Wills were drawn up to deal with their worldwide assets.*

In the summer of 2013 we received a call from a very excited Penny. They had decided to move the family out of London so that the children could enjoy growing up in the countryside. They had found their 'forever' home but needed to move quickly and wanted advice on how to bridge the financing ahead of the sale of their London property. We were able to refer them to a mortgage specialist in our professional network and they exchanged contracts within a few weeks.

A couple of weeks later David suffered a heart attack on his way home from visiting clients. He died in the ambulance on the way to hospital.

Penny was now a young widow with three children under 12. Although David had always taken the lead with their financial planning, we had always made sure that she remained involved in the process and at least attended our annual review meetings.

When David died ours was one of the first numbers Penny called.

Minimising the stress

- *In the weeks and months following David's death, the one thing Penny knew she didn't need to worry about was money;*
- *She knew there was a plan;*
- *She knew where the assets were invested, and*
- *She knew why;*
- *She knew that she and her young children were financially secure.*

Soon after David's funeral Penny decided to return to New Zealand to be closer to her family. Due to our maintaining a global professional network we were able to introduce Penny to another Certified Financial Planner™ in New Zealand who followed the same evidence-based investment philosophy that we do. Working with her UK accountant and lawyer we were able to help her to unravel the property purchase and assist in obtaining probate. We then worked with her new financial planner and her UK accountant to arrange the transfer of her assets to New Zealand over time, minimising tax as much as possible.

Life doesn't always go according to plan. Having a planner who will be there when you need them most helps.

**Names and details have been changed to protect the anonymity of our clients*

For further information please get in touch with
your usual Bloomsbury Wealth contact.

Call 0207 965 4480 and ask for a member of the wealth team
or alternatively e-mail truewealth@bloomsburywealth.co.uk

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