

People like you - case study 1

Geoff and Sarah: planning for life



Geoff* got in touch with us about three years ago, seeking financial planning advice for himself and his family. He is in his late forties and has been a partner at one of the 'big four' firms of accountants for the past 15 years. He is married to Sarah* and they have three children, aged 6, 9 and 11. Sarah worked as a marketing consultant before the birth of their first child and now spends a couple of days a week doing voluntary work at their local hospital.

Concerns

Before he contacted us, Geoff had previously dealt with one of the private banks but had found that whilst they were very interested in investing his money, they were distinctly less interested in providing a comprehensive financial planning service. He had therefore developed, managed and monitored his own personal financial plan but as time had moved on he recognised that there was now additional complexity for which he required help from a third party.

Geoff realised that the family's objectives had become more complicated when he executed some trades on his dealing account and made an error which cost him several thousand pounds. In addition, two years earlier he had reduced his working time from five to four days a week, with the objective of spending more time with his family and indulging his passion for playing golf. What actually happened was that he found he was spending more and more time managing the family finances on his day off, completely defeating the object of working less.

Geoff earns around £1m in a typical year and on average the family saves around £250-300k of that. They live on the south coast in a property valued at around £1.5m with no mortgage. At the time he contacted us Geoff held a substantial amount in his SIPP – and was likely to breach the then lifetime allowance – as well as various ISAs, National Savings certificates, taxable investment accounts and cash accounts. Sarah had a deferred pension from a previous employer's final salary pension scheme and had recently inherited a sizeable amount of cash following the death of a maiden aunt.

The children were being educated in the state school system but Geoff and Sarah were conscious of the potential requirement for funding them through whichever higher education route they might pursue.

Geoff's main concerns which had led to him to approach us were:

- *To develop a financial plan in collaboration with a trusted adviser and to delegate the day to day management which would free up the time he was currently spending managing the family's finances to allow him to use it as he originally intended;*
- *To work with a firm of planners who a) could offer a discretionary portfolio management service to reduce his involvement and b) understood, and were used to dealing with, the restrictions to which he is subject as a partner in a large accountancy firm;*
- *To ensure that he could minimise any tax liability resulting from breaching the pensions lifetime allowance;*
- *To ensure that Sarah was fully involved in the planning process, that her objectives were given equal weight and to give him comfort that if anything were to happen to him she would have a team in place with whom she had built a relationship and who would be there to help.*



Solutions

Over the following year we worked with Geoff and Sarah to develop their financial plan and construct a portfolio, which was both aligned with their goals and in line with their combined risk profile, whilst also complying with the restrictions imposed by Geoff's firm as regards specific financial institutions and the need to report transactions.

Fast forward to today: Geoff and Sarah's situation is now quite different. Geoff feels very comfortable having delegated the management of their investment portfolio to us. They both feel engaged with their plan and can see that they are on track to meet their objectives. Most gratifyingly of all, now that Geoff no longer spends his day off buried in spreadsheets his golf handicap has dropped to single figures and he and Sarah spend at least six long weekends a year enjoying European city breaks together.

That's what we call a result.

If this sounds like you, let's start a conversation....

**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, telephone 0207 965 4480 and ask for a member of the wealth team or alternatively e-mail trewealth@bloomsburywealth.co.uk

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