Why go for financial advice?

In the current environment it's more important than ever that you've got someone who can help you look after your finances.

We no longer use a mangle to dry our clothes, send messages via fax machine, or rent videos from shops. Likewise, financial advisers no longer just want to sell you some insurance – they are focused on delivering the best outcomes for you and your family. So what DO they actually do and why should you consider speaking to one?

Here are seven things you might not know a financial adviser could do for you:

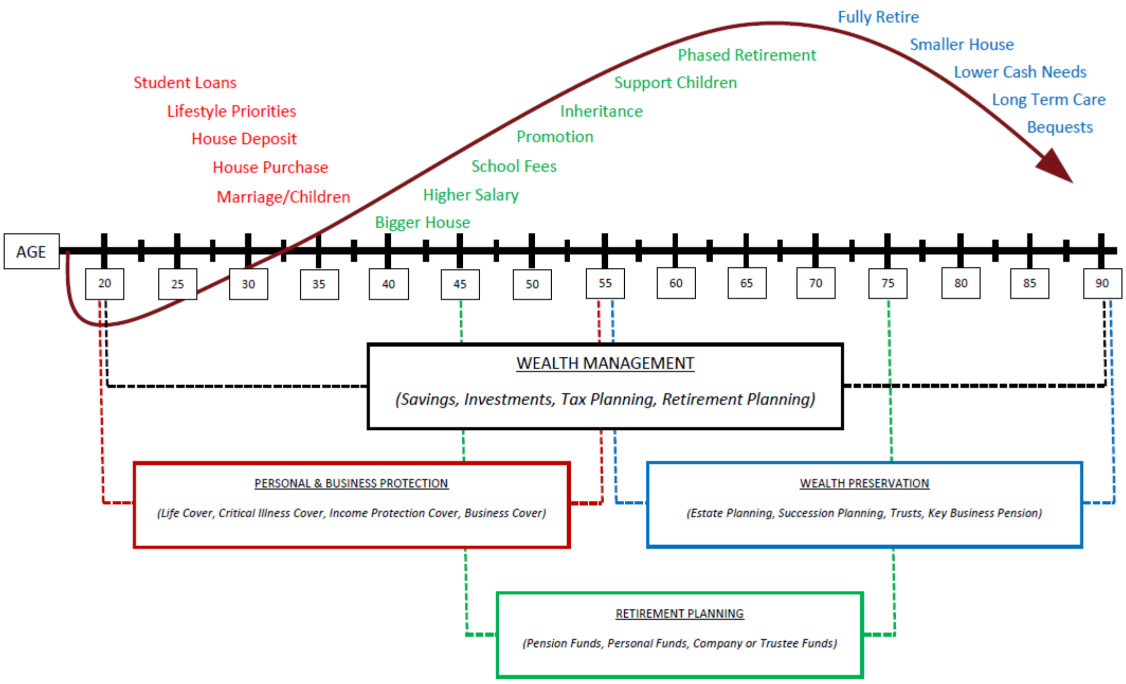
1. Personal and tailored advice – a financial adviser will find a solution that's right for you, rather than just hand you an off-the-shelf, one-size-fits all solution. They'll ask you questions about you, your job, family and lifestyle to get a full picture of who you are and what you really need – whether you're a first-time buyer, a business owner, starting a family, or preparing for retirement.
2. Knowledge of the market – an independent financial adviser isn't tied to a particular bank or provider, which means they can research the whole market to find the right product for you. Because of this, they could have access to products that are more suitable for you than those available online.
3. Peace of mind – a financial adviser will find out what financial products you already have, even if you're not sure where the paperwork is. They'll look at what financial support your employer provides, and confirm what you're entitled to from the state. They'll tell you where the gaps in your finances lie so you only buy what you need to. And they can advise you on things like tax and trusts, which many of us can find complex. Talking to a financial adviser will give you the peace of mind that all your needs have been considered.
4. The buck stops with them – with something as important as your finances, you don't want to worry that you've got it wrong. A financial adviser, on the other hand, is a specialist in this area. They'll keep up-to-date with the latest products and changes in the market, and take responsibility for making the best choice on your behalf.
5. Practical help – when you start to take your retirement income or if you ever need to claim on any of your protection plans, your adviser will help you with this. Whether that's making the initial claim, or following up with any paperwork for you. It's an adviser's job to support you throughout your partnership with them – and that includes the aspects that can often be more difficult for you during an emotionally challenging time.
6. Proactive support – a financial adviser can provide ongoing support to make sure you're on track to meet your objectives. For example, you may need to alter how much you're saving in your pension or how much income you're taking from your pension because your circumstances change. Or you may need to make a claim on your protection policy. Rather than leaving you to manage this yourself, your adviser can make the relevant changes so your plans are always valid and up-to-date.
7. Save you time and money - Good financial planning and advice will guide you towards the best and most cost efficient solution for you. Whether this means saving money or helping you fund your future through investment, seeking professional advice will save you the time and energy of trying to filter through the various options and products that are available to you online. And new research, What it's worth: Revisiting the value of financial advice from the ILC suggests that, holding other factors constant, those who took advice around the turn

of the century were on average over £47,000 better off a decade later than those who did not.

It's true that we can buy so many things ourselves online now, without having to go through a middle man. But when it comes to something as important as our finances, it pays to go to an expert.

Your changing needs

Throughout your life your needs and aspirations will constantly change. Tailored Financial planning can assist you with every milestone



Advice process

(please change above to our colour)

Establishing Client Suitability: Fact Find

We use a limited fact-find and then update our back office system. This allows us to carry out an in-depth analysis of a client's current financial situation and their goals, aims and aspirations. We use the data this fact-finding process provides to create a financial plan for individual clients.

Establishing Client Suitability: Risk Profiling

As part of our investment process, we risk profile every client by means of a risk profiling questionnaire. This Risk Profiler has been provided by the Centra, provided by Simplybiz. It consists of a number of questions and discussion points, which lead to an Attitude to Risk score of between 1 and 10. We are satisfied with the Centra for the following reasons:

- We believe it asks enough questions to provide a meaningful output, without too many that it will deter clients from completing it.
- The questions are in plain English, and are easily understood by our clients.
- The questions are not inappropriately weighted. In other words, the answer from one or a few questions does not skew the result.
- Although we do not profess to be experts on how risk profilers are constructed, we are satisfied that Centra have conducted sufficient due diligence for us to be satisfied that it has been put together in a logical and appropriate manner.
- The Centra Risk Profiler outputs provide us with an asset allocation from which we can build appropriate risk graded portfolios, or alternatively can map directly to a number of “out sourced” investment solutions.

Establishing Client Suitability: The Limitations of Risk Profiling

While we view our risk profiler as an invaluable tool, we also recognise that any risk profiler has limitations. As a result of this, there may be times when we vary from its output. Some examples of this might include:

- Where the client indicates they are unhappy with the level of risk that their risk profile would dictate.
- Other financial priorities. Where a client has priorities other than investing – for example paying down debt – we may advise them not to invest.
- Time horizon. If a client wishes to invest for a short period of time – for example less than 5 years – it may not be appropriate for them to invest at all. Equally if they wish to invest for a long period of time – more than 10 years – we may vary from their risk profile.
- Age. Where a client is very elderly it may not be appropriate for them to invest in a higher risk category, or in some cases to invest at all.
- Specialised investment needs, such as an ethical strategy or a specific tax planning requirement.
- Where a client has multiple investment objectives, for which they may wish to consider separate investment strategies.

Establishing Client Suitability: Other Risks

There are some types of risk that a Risk Profiler does not quantify. Our fact-find process, along with a general discussion with our client, is designed to discover which of these, if any, may be relevant to individual clients.

Although far from exhaustive, some of the main examples of these other risks which we would envisage affecting our client base include:

- Lack of diversification
- Interest rate risk (the risk that interest rates become too low to provide a sufficient return)
- Inflation risk (the risk that inflation will erode the buying power of savings or income)
- Shortfall risk (the risk that an investment strategy might not achieve a desired outcome)