

Financial Planning Service

What Exactly Is 'Financial Planning'?


Financial planning is about stepping back and looking at the bigger picture. Our financial planning service provides a comprehensive picture of your current financial position, maps out your financial future and show you how you can achieve your life goals. Financial planning can help answer some of the biggest questions in life such as when you can afford to retire, how best to use your money, you biggest financial threats and how you can best achieve your goals. It will also show how major events could impact your finances and the steps you can put in place to insulate yourself and protect your future. A Financial Plan will give you more clarity over your financial future and provide you with the confidence to achieve your goals.

We think of financial planning as being a bit like a personal trainer – helping you get financially fit. An ongoing service to get you in the best possible financial shape.

How Does Financial Planning Work & What Do I Get?

The first step in our financial planning process is a thorough 'fact finding' process to ensure we have a comprehensive picture of your complete financial position. We'll also ask some deeper, more searching questions that go beyond money. We firmly believe that money is but a means to an end and that understanding your real life goals is crucial to putting an effective plan in place. We'll talk about the big picture and challenge you to think about what you really want from life for you and your family.

Once we have everything we need, we'll create your 'Financial Plan'. This is a comprehensive document that covers all the important areas of your finances. The first stage of our financial planning process is all about you. We document where you're at in life, provide you with a financial snapshot of your current position and state your most important goals.




Financial Snapshot


i Let's look at a quick snapshot of your current financial position. Here we list your current assets and liabilities. This shows us your current net worth.

Assets	
Savings	£45,125
Investments	£95,236
Pensions	£152,236
Property	£680,000
Household items	£32,500
Other Assets	£5,100
Total Assets	£970,297

Liabilities	
Mortgage	£315,256
Loans	£15,500
Credit Cards	£1,234
Other Debts	£0
Total Liabilities	£331,990

Total Assets	Total Liabilities	Net Worth
£970,297	- £331,990	= £638,307

Go Next: The Big 3 Questions 




Your Goals

i At its heart, financial planning is about helping you achieve your goals. It is important to come up with specific, measurable, achievable, timed goals. By defining your goals, we can track your progress and ensure you get what you want from life.

Short-term Goals (next 12 months)	
Goal 1	Take two foreign holidays per year, ending time when managing your business.
Goal 2	Finalise plans to extend your house, get the work complete and start enjoying the new space.
Goal 3	Nigel - raise at least £5,000 for charity by running the Marathon des Sables.

Medium-term Goals (1-7 years)	
Goal 1	Nigel - sell your business or setup a succession plan to pass your business to your children.
Goal 2	Nigel - Retire from work by age 60 and have a retirement plan and sufficient funds to achieve your life's goals.
Goal 3	Do everything necessary to ensure your children finish school with good grades and have a successfully move into higher education or employment.

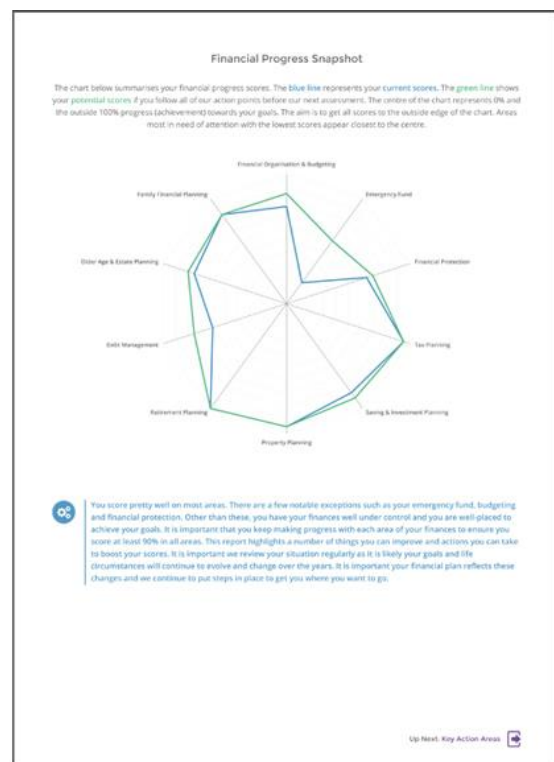
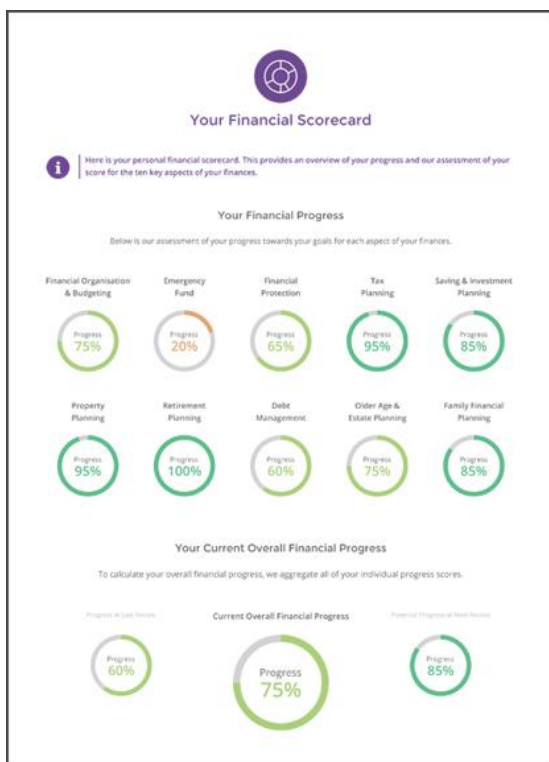
Long-term Goals (7+ years)	
Goal 1	Purchase a house in the West Country and move there permanently in your retirement.
Goal 2	See your children financially secure, on the housing ladder and with settled, happy and fulfilling lives.
Goal 3	Take a full year to travel the world, visiting as many countries as possible.

Go Next: An Introduction to Financial Forecasting 

“Plan for the future because that’s where you’re going to spend the rest of your life.”

Mark Twain

The second part of your financial plan is what we call your 'Financial Scorecard'. Each area of your finances is given a percentage score, showing our appraisal of your progress. We assess how well you are doing in relation to your personal objectives and highlight the steps you can take to improve your score. We cover 10 key areas of your financial life to produce your personal 'Financial Scorecard'.

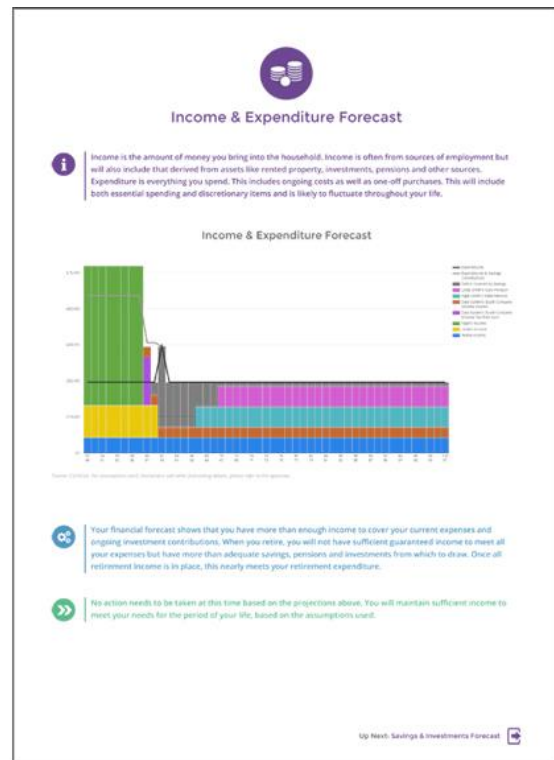
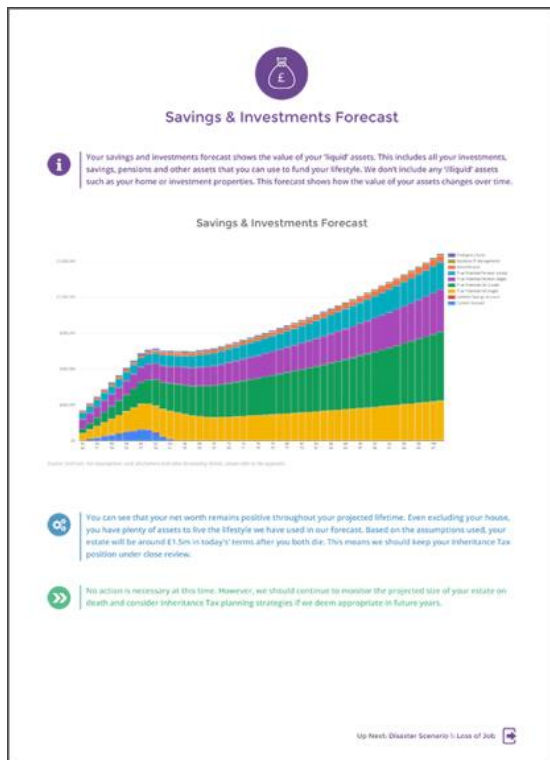


Your scorecard lets you see which areas of your finances are most in need of attention and your plan provides you with the step-by-step action that is needed to improve your scores. It also helps you track your progress throughout your life as we update your scores at each review.

“A goal without a plan is just a wish, a hope likely to fail and impossible to attain.”

Antoine de Saint-Exupéry

The final part of your plan contains your 'Financial Forecasts'. These show how your household income, expenditure and assets could change over your lifetime, providing you with projections of your future financial position.



We then use these forecasts to stress-test a number of scenarios to help us work out your options. Can you afford to retire earlier, what if you lost your job, can you afford a second home, could you cope financially if you or your partner was seriously ill, can you afford to send your kids to private school, will you run out of money before you die? Each scenario we model is bespoke to your situation and will consider your specific circumstances, questions and goals. By modelling your finances in this way, we're able to show the trade-offs you may need to make in life to achieve the things you really want.

“A good financial plan is a road map that shows us exactly how the choices we make today will affect our future.”

Alexa Von Tobel

It gives us a great sense of satisfaction when our work leads to fundamental changes to our clients' lives. For some, this is when we tell them that they can retire five years earlier than they had planned and still be certain they will be financially secure in their retirement. For others, it may be that they can afford to travel the world for a year when they retire and still afford to pay for their parents care home and their kids at uni. For many though, it's simply knowing their finances are in great shape and they are fully in control, their family is protected should the worst happen and they saving the right amount for the future. Whatever your goals in life, your Financial Plan will show how the decisions you make now could impact your financial future and how you can best get what you want from life.

Is This A One-Off Or An Ongoing Service?

The most effective way to use our financial planning service is as an ongoing process. A good analogy is to think about a ship setting sail for a far off destination. Your Financial Plan is your route map, showing you how to get where you want to go and the course you need to take. But life has a habit of throwing us curve balls and not unfolding quite as we had planned. Our goals may change and sometimes we get blown off course. We therefore recommend reviewing your Financial Plan every 12 or 24 months to ensure you stay on-track to reach the destination you want. The discipline this creates is really powerful. Simply knowing you have made time to sit down with us and update your plan can bring huge benefits. This forces you to regularly take the time to reflect, review your goals, consider your progress and take action as needed.

What Are The Benefits?

There are a number of important benefits of financial planning including:

- **Direction** - You know what you want to achieve in life and how you will achieve it
- **Clarity** - You fully understand your financial position and what your future may look like
- **Peace of mind** - You sleep soundly knowing that your finances are fully under control
- **Security** - You know your lifestyle is safe and secure no matter what the future holds
- **Control** - You are fully in control of your money and always make great financial decisions
- **Confidence** - You can live life to the maximum, with complete confidence in your financial situation

“Our goals can only be reached through a vehicle of a plan, in which we must fervently believe, and upon which we must vigorously act. There is no other route to success.”

Pablo Picasso

How Much Does This Cost?

We have two financial planning services. Our 'Standard' service provides full financial plan updates every 24 months and costs £950 upfront plus £50 per month. Our 'Plus' service, provides updates every 12 months is available for the same upfront cost plus £95 per month. Should you simply want a one-off financial plan, just pay the upfront cost with no ongoing charges.

How Do I Find Out More?

There is lots more information about our financial planning services on our website. If you would like to find out more, have any questions or would like discuss how to get started, please call us on 0800 6906 247 or email info@nswm.co.uk.