

essentiallyfinancial

planning for life

News & Views



Autumn 2015

Welcome to the autumn edition of our newsletter.

It's been a very busy year for us. The changes to the way people can access their pensions created a real stir within the financial planning industry. We've been approached by many clients, old and new, to look at this important area of financial planning for them.

Since our spring newsletter the General Election happened (seems like years ago now). The unexpected clarity which the result brought was welcomed by the financial world.

In this edition we talk about the importance of keeping calm and listening to your financial planner. We also share an article on the value of having a well thought out plan B or C or D.

We hope you enjoy it and if you have any questions, please don't hesitate to call.

Keep Calm and Carry on Planning

Major negative news events always come with a guarantee for us at Essentially Financial. When a big and usually bad global story hits the news channels we always get at least two or three clients calling or emailing. Guaranteed.

It could be the wobbly stock markets due to the temperamental Greek economy or the ongoing hokey cokey with Britain and our membership of the European Union. The Chinese stock market crash spooked many people who wanted to know what they should do. The simple answer is nothing. 'Nothing,' I hear you cry. Yes, that's right.

People wanted reassurance that what was happening thousands of miles away wouldn't affect their lifestyle and finances closer to home.

The markets are reactive but good, solid financial planning is proactive. I've spoken about this several times but it's worth repeating. We can't control certain things but we can take precautions to be better protected against them.

I've experienced a lot during my twenty five years in the financial world. Unexpected events beyond our control have happened several times during that period. The one consistent is the necessity not to panic.

Doing the ground work of planning, reviewing and having back up plans means for many of our clients nothing really changes as the storms blow through and eventually fizzle out.

All of the above is part of the financial cycle I talk about in our new E-Guide, **The Five Fundamental Steps of Solid Financial Planning**. The guide is scheduled to be launched on December 1st, is free and well worth a read. If you would like to be emailed a copy please register via les@essentiallyfinancial.co.uk.

The Importance of Plan B, C, D

A couple of incidents happened to me over the last few months which really brought home the importance of having back up plans and taking precautions. Both happened while I was enjoying my big passion in life - Motorsport.

Firstly I had an 'incident' while karting back in July. I ran too wide on a bend and clattered into the tyre wall at around 30 MPH.

The precautionary measures in place thankfully all worked exactly as they were designed to. The tyre wall along with my crash helmet, neck brace, rib protector and race suit all did their respective jobs and although I was a bit battered and bruised it would have been a lot worse without them.

The second incident again happened at a race track but thankfully was less dramatic.

A friend and I were at a classic racing festival on a miserable rainy day in the middle of the school summer holidays. As a father of two (now grown up) kids, my sympathies were very much with the parents of children who were holidaying in the UK as rain stopped play.

Again it raised the importance of having back up plans.

What is the plan b if it pours down of rain all week (like it did a lot this summer)? How can you keep the little people entertained if Mother Nature decides she's not going to play ball and bring the sun out?

It's all about controlling the controllables as Team Sky did brilliantly well during another of the summer's highlights, Chris Froome's Tour de France victory.

The same approach of planning allied with precautions and protection forms a part of sensible financial planning.

Part of my role is to work with clients to identify what lifestyle and financial risks they have and how to manage them. These risks could be serious illness, redundancy or divorce. All potentially traumatic events but the pain can be lessened if contingency plans are thought through and established **before** or just in case the worse happens.

Interestingly it is also worth thinking forward and planning for things going spectacularly right. That could be the unexpected success of a business venture, an inheritance or windfall of some sort. This too brings unexpected questions which need answering.

It pays to plan. And as I experienced precautions along with protections can be priceless.



To find out more or enquire about any other financial planning or advice issues, feel free to contact us.
And read Les's popular fortnightly blog via www.essentiallyfinancial.co.uk/blog

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