

essentiallyfinancial

News & Views



Spring 2015

Welcome to our new look Bi Annual Newsletter we call News & Views. It's taken a bit of time to get it to the level we wanted, hence why we're a little behind our normal schedule for this Spring.

In this edition, we thought that we'd personalise it a bit and tell you something about us.

After all, it's good to know who's looking after you and at the very least put a face to the name.

To start with let's tell you about the key man.

Les Conway has some twenty five years' experience within the world of financial planning. He lives in Pinner with his wife Caroline, their two grown up children, Cinnamon the Cat and Bailey the Yorkshire Terrier. Away from the office Les is a motorsport nut, competes regularly, plays Golf badly, is a Malt Whisky lover and a long suffering West Ham United fan.

Pension Freedoms - Beware of Fraudsters

Last month the Government introduced something called Pension Freedoms. It was the biggest change to retirement planning in decades.

It's very early days yet but there is a fear, acknowledged publicly even by politicians that the revolutionary changes could prove to be an 'open season for fraudsters'.

Without getting too technical you now have greater freedoms in the way you can access your pension. In some cases, the option to make decisions without the requirement of using an authorised financial advisor. This DIY option may look attractive but comes with a warning. And with any major change to legislation comes uncertainty.

Leading figures in the financial industry have admitted there is a big potential for fraudsters to exploit uncertainty. The fear is unscrupulous outfits will target people who are retired or are retiring. I envisage some sort of cold calling encouraging people to make the most of their new found freedoms by investing in a plethora of seemingly 'too good to be true' options. The biggest risk people could fall foul of is to be taken in by the scammers who take their cut but leave the investor with hefty tax bills.

Why? Well people may be seduced by the idea of utilising their pension pot in a quick, cheap and simple way. However, my genuine fear is that will turn into something which is laborious, very expensive and complicated.

So if something looks 'too good to be true' it usually is.

Risk and Reward and what it means

A phrase that always pops up in any coverage or discussion on financial planning is 'risk and reward'. Let's have a look at what it exactly means.

If you keep all of your money in savings, you'll find that its value gets eroded by inflation over time. Having said that, if you don't need to preserve the element of capital that you're looking to invest, you should weigh-up the benefits of asset-backed investments where your opportunity for higher returns is greater. It's perfectly correct to hold money on deposit for essential or immediate needs or simply for a rainy day.

But it's equally important to get a balance in how and where you invest. As an example, be aware that keeping money in a Cash ISA isn't risk free. Even allowing for inflation risk and as we've seen, banks can have problems.

The important thing is to establish your attitude to investment risk and ensure that however you invest, you spread your money over various asset classes and create balance. What you shouldn't do is assume an all or nothing approach.



Meet the Team



Fiona Moring
Administrator

What you do at EF?

I am the company administrator and deal with all issues relating to the daily operational functions of the business.

What do you enjoy most about your job?

I have a variety of tasks to do. Les is a pleasure to work with as he is extremely organised, pragmatic and a good balance of being professional but also down to earth.

Outside of work what are your interests?

I enjoy reading, socialising, salsa dancing, travelling and family days out.

Your dream job as a child?

My first main one was to become an air traffic controller.



Nicola Bluston
Report Writer

What you do at EF?

Financial Planning Report Writer and Paraplanning.

What do you enjoy most about your job?

Flexibility, people I meet and the fact that I can work from home.

Outside of work what are your interests?

My children, family and friends, Crossfit, Running and Travel.

Your dream job as a child?

A Maths teacher.

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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