

The Eastwood & Partners

# Financial Planning Service



EASTWOOD  
& PARTNERS

(FINANCIAL SERVICES) LTD

Independent Financial Advisers

Eastwood & Partners (Financial Services) Ltd  
is authorised and regulated by the Financial  
Services Authority





## **CONTENTS**

<b>Who are Eastwood &amp; Partners (Financial Services) Ltd?</b>	<b>1</b>
<b>Our services</b>	<b>2</b>
<b>How we provide our services</b>	<b>3</b>
<b>Our review service</b>	<b>4</b>
<b>Our investment approach</b>	<b>5</b>
<b>Case studies</b>	<b>6-8</b>
<b>Our investment platform and charges</b>	<b>9</b>

## Who are Eastwood & Partners (Financial Services) Ltd?

- We were established in 1997, although through the purchase of other businesses we have client relationships stretching back to the 1970's
- We provide independent "whole of market" advice to individuals and companies - therefore we do not limit our recommendations to one or a limited number of investment companies
- Our team consists of 20 experienced advisers and support staff, ensuring there is always someone here to help you
- All our advisers are authorised and regulated by the Financial Services Authority
- We have built a team of qualified researchers and report writers to support our advisers, which ensures that our advice is consistent and subject to careful supervision and review

Our aim is that by a thorough analysis of your financial circumstances we will provide you with the most appropriate solutions to meet your financial needs. In addition we pride ourselves on the continuous service we offer to clients to ensure that their financial plans take account of their changing circumstances.

## Our Services

- We seek to establish and maintain long-term relationships with our clients
- We discuss with you and create a plan based on an analysis of your current circumstances and financial goals
- After research we provide and discuss with you a detailed financial report
- If we agree to proceed we implement our initial recommendations
- We agree on the nature and frequency of reviews of your plan

This approach provides a quality ongoing service and avoids the traditional model for many financial firms which adopt a “sell and forget” approach to the provision of financial products, without reference to your overall objectives.

## How we provide our services

**Initially** - we meet with you to build an understanding of your personal circumstances and aspirations for yourself and your family.

**Goal Setting** - setting goals and understanding the actions you need to take can be challenging. Our consultative process enables you to establish the importance of your goals and to understand what are your ideal and realistic wealth management objectives for the future.

**Plan preparation** - the strategies we recommend integrate our knowledge and experience from across many specialist areas into an optimal solution to your needs.

**Review** - as your personal circumstances change, we help manage your changing priorities between creating, growing, protecting and distributing your wealth.

We use a powerful investment platform to support our service. This provides, amongst other things, consolidated investment valuation reports which you can view on-line at any time, a thorough analysis of your holdings and their investment performance.

The power of the platform means that we can comfortably provide the services mentioned in this brochure, and do not get frustrated by having to approach many different providers for information.





## Our review service

We have a regular review service which covers the following:

- **Your Issues** - An update by you on issues requiring attention
- **Strategic Review** - An update by your adviser on recommended changes to strategy
- **Investment Review** - Looking back at the previous review period
- **Investment Action Plan** - Looking forward & implementing any changes to investment strategy
- **Debt Review** - Reviewing your interest rates & debt structuring arrangements
- **Taxation Update** - Reviewing opportunities & threats created by changes to taxation law
- **Pensions Update** - Reviewing opportunities & threats created by changes to pension law
- **Insurance Review** - Providing a check of current levels of cover and policy wording
- **Estate Planning Review** - Ensuring your estate planning wishes are current and legally valid
- **Remove the Hassle Service** - Sorting through any paperwork you have received which may have confused you
- **Family Review** - Discussing any financial issues affecting your family
- **Professional Update** - Providing professional updates to your accountant and other advisers

## Our investment approach

### We don't believe

- In any one asset class
- You can time the market or pick the winning stocks
- We should tell clients what to do
- In taking unnecessary risks
- Number 1 today will be number 1 tomorrow

### We do believe

- 90% of your return is determined by the asset class you invest in
- Investing is a science
- Quality research adds value
- Investing requires discipline and patience

## Case Study No 1

David and Lorraine are in their 30's and came to us for advice on their current investments and retirement planning. They had no clear understanding of the amount of income they needed in retirement, or the amount that could realistically be provided by their current pension plans and investments which were scattered amongst various pension and investment providers. They didn't understand how much they needed to save or how taxation affected their investments or what State Pension they might receive. They didn't know what risk they were taking with their investments and had never thought about the amount of risk they were comfortable with.

We helped David and Lorraine to create a financial plan and provided them with a comprehensive report on their current position and financial goals.

We assessed their attitude to investment risk using our risk tolerance questionnaire and recommended an investment plan based on their answers.

We obtained State Pension forecasts from the Department for Work and Pensions and explained the forecasts to them.

We obtained full details of their current pension and investment plans and provided a detailed analysis by looking at such issues as past investment performance, risk, investment volatility and product charges.

We explained to them how tax affected their investments and pension plans.

We agreed to review their circumstances every 12 months in line with our Review Service (see page 4). We assess each year whether they are on track to meet their financial plan or whether some amendments need to be made.

David and Lorraine now have a clear understanding of their financial goals, of the investment risk they are comfortable with, and how much they need to save to achieve their goals.

## Case Study No 2

Andy and Allison are in their late 50's and approaching retirement. They had no clear understanding of their options or the amount of income they would need in retirement. They had a number of different pension plans and wondered whether they should be consolidated into one plan or left separate. They were worried about whether Allison would have enough to live on if Andy died first and whether they could pass on the value of their pension funds to their children.

We obtained details of their pension plans, State pensions and investments.

We prepared a report setting out the advantages and disadvantages of each of their retirement options by reference to their circumstances and their attitude to investment risk in retirement.

We explained what would happen when one of them died and the income that would be paid to the survivor.

We discussed pension regulations and how these affect Inheritance Tax and recent legislative changes on this issue.

Although Andy and Allison were prepared to take some investment risk in the first part of their retirement, we found out that one of Andy's plans had a special

feature (called guaranteed annuity rates) and advised that this be kept separate from his other plans.

After considering our report and recommendations, Andy decided to set up an income drawdown plan with the remainder of his pension funds. This type of plan involves investment risk and therefore we agreed to report on and review the progress of his plan every year.

Allison's pension funds were not large enough to support an income drawdown plan, therefore she decided to take out a fixed term annuity which kept her options open in the future and yet provided her with a secure income until the end of the first fixed period of the annuity.

Andy and Allison can change their plans in the future (except for the plan with guaranteed annuity rates) and therefore can take any advantage of any future changes in legislation or amend their plans because of any changes in their circumstances. Andy is pleased that he can review the income he can take in retirement from his income drawdown plan as he thinks that he and Allison will spend more in the first part of his retirement whilst he is more active.

## Case Study No 3

Peter and Susan contacted us after receiving an inheritance of £250,000 and asked us for guidance on investment.

We helped them create a financial plan based on their personal circumstances and attitude to investment risk. They chose to invest with a moderate amount of investment risk and we agreed a ten-year target for their investments of 7% pa, which we report on each year.

We also report on the performance of their investment funds each year and how each fund has performed compared to the sector average (we may recommend a fund is changed if its performance is disappointing).

The financial crisis in 2008 caused a significant fall in the value of their portfolio. However, we did not recommend any changes at our meeting following the onset of the crisis and therefore Peter and Susan benefitted from the strong recovery in investment markets in 2009 and are now back on track.

In 2010 Peter fell ill and asked for income from his investment funds following a reduction in his salary. We therefore rearranged the funds within the portfolio to “turn on” income, which we could do immediately

and without extra costs via our powerful investment platform. We also decided to change the nature of the investment portfolio to one with a cautious investment approach.

As Peter and Susan’s investments were all in one place (though invested with different investment fund houses) we were able to make the changes very quickly. We were also able to review and provide reports on the performance of their funds on a regular basis.

Therefore our adoption of an investment platform means that we can provide a much more efficient and thorough level of service. It is very difficult and expensive to provide such a service where investments are scattered amongst different investment providers.

## Our Investment Platform

We can only provide the services explained in this brochure by making full use of technology and minimise the time we spend on wasteful paperwork.

We use a “platform”, which can hold details of all your investments. This means that we can manage your investments and provide reports quickly and easily.

We can hold a wide range of different investments on the platform - including collective funds such as unit trusts, pension funds, investment bonds as well as individual stocks and shares.

You will have secure on-line access to view your investments.

The platform provides services such as:

- Valuations (at any time)
- Investment return reports
- Consolidated tax reports
- Analysis of your investments - for example by asset class and investment sector
- The facility to make immediate changes to your investments
- Portfolio planning
- Fund research
- The ability to purchase investments from the whole market, often at discounted prices

## Our Charges

- Initial consultation and explanation of our services - no charge
- Initial financial report - usually between £250 and £750, depending on how much research and analysis we need to do
- Implementation charge - usually between 1% and 3% of the amount you invest, depending on portfolio size and complexity
- Ongoing service / review charge - usually 0.5% pa of the value of your investments under our management

We will provide a service charter and statement of the total charge for using our Financial Planning Service within our initial financial report.



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