

# PARKLIFE

CONNECTING AND COMMUNICATING



NEW YEAR 2023



FINANCIAL · LIFE · PLANNING™



FINANCIAL · LIFE · PLANNING™

## In this issue

- 3 WELCOME TO PARKLIFE
- 4 MAKING CONSCIOUS CHOICES WITH A FINANCIAL LIFE PLAN
- 6 WHY GET OUT OF BED IN THE MORNING?
- 8 HOW TO GIFT TO CHILDREN AND GRANDCHILDREN
- 10 FINANCIAL LIFE PLANNING PLANS TO KEEP GROWING IN 2023!
- 13 PROTECTING YOUR HOME, FAMILY, AND INCOME AGAINST THE UNEXPECTED
- 14 ASSET RICH BUT CASH POOR, IS EQUITY RELEASE THE ANSWER?
- 16 CLIENT STORIES  
MEET JOHN & SHEENA
- 18 MEET THE TEAM

# Welcome to Parklife

Welcome to the New Year 2023 edition of Parklife, our magazine created to help you get the most from your money and your life.



Steve Braidford  
Director and Financial Planner



FINANCIAL · LIFE · PLANNING™

**I would like to wish all of our clients and your families a Happy New Year.**

Looking ahead to 2023, financial markets remain challenging alongside domestic issues such as industrial action and challenges for our public services.

At times like these, the most important question to ask remains: 'Am I still on track to achieve my Plan?'. If the tumult of recent events means you are not sure, then please don't forget that we are always here to help.

In this edition of Parklife we recap some of the changes we have seen in the business over the last



12 months. This year promises to be an exciting year for us as we plan to continue to expand and develop the services we are able to offer to you. As ever, we will continue to keep you up to date with our regular email newsletters as well as the summer and winter editions of Parklife.

I am very proud of the team we have recruited to support our clients. As you will see from our team photograph on pages 18 and 19, there are some new faces who are already making a great contribution with more to come in 2023!

May I wish you and your family a prosperous, and above all, a peaceful New Year. 🌸

# Making conscious choices with a Financial Life Plan

If you don't know where you are going, then any road will take you there.



Gareth Higton  
Director and Financial Planner

## MAKING CONSCIOUS CHOICES

Our choices can be categorised as either:

1. A choice of attitude ('how do I choose to feel about this?') or
2. A choice of action ('what do I choose to do about this?').

There are typically three personality types according to how we tend to think about our life and money choices:

1. **Positive thinkers** who take absolute responsibility for themselves and the choices they make. They are optimists and life is a series of opportunities that help them to build and grow.
2. **Negative self-talkers** who see the dark and not the dawn and think their choices are non-existent or at best limited.
3. **"Middle of the roaders"**. They take the easy and automatic choices, seldom recognising there is any real choice at all. They go along with the crowd, stay in line and fit in. The status-quo does them no harm, but could they do better for themselves and their potential by making some brave and conscious choices?

By using the Financial Life Planning process to contemplate what is probable or possible, we are reminded of the importance of the choices we make big and small every day. A Financial Life Plan is a map that helps you to make the right choice at each junction in your life because you know where you want to go, and you have a map to get there. 🗺️

*We only get one life, so make every day count. The sooner you have a plan for your money, the quicker you can live your life by choice and not by chance.*

**“Life is about choices. Some we regret. Some we're proud of. Some will haunt us forever. We are what we choose to be.” (Graham Brown).**

Every financial choice you make, from the smallest item in the supermarket to the purchase of a house, is like choosing which way to turn at a succession of crossroads. The total of all the money you have today is no more or less than the sum of all the thousands of choices you have made at each one of those junctions.

How do you take those decisions? How do you know which way to turn?

The process of financial planning has been described as a series of choices held together by a bundle of calculations. A Financial Life Plan invites us to make big choices that create change and set direction. Once we have made our plans, it is the small choices that are crucial in making those plans happen.

We tend to underestimate the importance of conscious choice in our lives, because so many of them are either taken subconsciously or are taken for us by something or somebody else. Even if we choose not to choose, then this is still a choice, and the world moves on around us while we stand still.

**“The key to accepting responsibility for your life is to accept the fact that your choices, every one of them, are leading you inexorably to either success or failure, however you define those terms.” (Neal Boortz).**



*live the life you want*



# Why get out of bed in the morning?

When the 'Lifestyle Plan' becomes more important than the 'Pension Plan'

*Live the life you want*



Bill Ward  
Financial Planner



**A simple and apparently innocuous question that you will have heard before. Frame it in a more forceful way and you can ask, "How would the world be different if I didn't get out of bed every day?"**

If you are honest with yourself, have you ever really taken the time to make a list of all the reasons and put them in priority order?

It seems like a ridiculous exercise when we are younger. There are a whole list of reasons why you should not still be in bed and a much longed for luxury is just another five minutes under the duvet.

As we age and our responsibilities for work and family change, the question creeps up on us until we might start to become afraid of the answer.

## FINDING PURPOSE AND MEANING IN LIFE

Someone aged 60 today and in reasonable health should now assume that they are going to reach 90. How do they see the last third of their life? Assuming they have a robust financial plan that takes care of their financial needs, then the key to enjoying the final third of life lies in always having at least one reason to get out of bed, in other words purpose and meaning for their life.

Demographics mean that we are no longer in an age where working past a normal retirement age was viewed as somewhat selfish and disadvantaging younger people looking for work. We live in an ageing society where anyone who wants to work can do so; society needs older people to keep contributing for as long as they can. This is not a short-term effect of the pandemic but a long-term

demographic trend that is here to stay.

We are moving away from the image of climbing an accumulation savings mountain to then freewheel down the other side in a leisurely retirement, towards a route that takes us up and down a series of smaller ascents, as we are required to reinvent ourselves and find meaning and purpose over an extended lifespan.

This looks like the future for the younger generations who increasingly don't enjoy guaranteed pensions or job certainty. Their price for this precariousness appears to be a higher expectation of purpose and meaning in what they do, as opposed to previous generations who were just grateful to be employed.

Inactivity is the principal cause of problems in wellbeing as people live longer and lose physical and mental fitness. Poor life choices can result in preventable disease, leading to disability caused by pessimistic beliefs and attitudes.

## THE LIFESTYLE PLAN BECOMES AS IMPORTANT AS THE PENSION PLAN

The lifestyle plan becomes as important as the pension plan, serving as a reminder to keep not just physically active but also socially active, either with family or work, and intellectually active by for example learning a new skill or volunteering. Although life is always capable of serving us nasty surprises, what happens to us after age 60 should not be assumed to be caused by ageing but by the life choices we make.

Having as many reasons as possible for getting out of bed in the morning is the best way to avert the danger of losing purpose and meaning that is so important for our general wellbeing. 60 is not the beginning of the end, just a new beginning. 🌈

*Life is not a rehearsal, and every day is precious. The sooner we get started to help you take control of your financial future, the quicker you can use your money to make the most of your life.*



# How to gift to children and grandchildren

It might be the most valuable gift they ever receive

*live the life you want*



Rob Whittle  
Financial Planner



FINANCIAL · LIFE · PLANNING

**A**s we have just had the season of giving, it seems like an appropriate time to outline the options available for parents and grandparents to wrap up a financial gift for their children and/or grandchildren.

## OUTRIGHT GIFTS

Making an outright gift to a child or grandchild is the simplest way of gifting. It is effective where the money is needed for an immediate rather than a future purpose. However, are the children old enough to hold the money or investments in their own name, and to know how to use it for the purpose it was intended?

It may be that the gift is not made until such time as the beneficiary needs the money for a particular purpose, such as university costs, although this will not be effective if Inheritance Tax planning is a priority (see below).

## TRUSTS

Making gifts to a trust can allow the trustees to allocate money to the beneficiaries at the appropriate time and can alleviate concerns about giving young children or grandchildren too much too soon.

Assets can be held in either a “Bare Trust” or a “Discretionary Trust” with different degrees of flexibility and tax treatment. Professional advice should be sought to determine the appropriate form of trust.

## INHERITANCE TAX

Where a parent or grandparent makes a gift, this will typically be regarded as being outside their estate for inheritance tax, should they survive for seven years from the date of the gift.

- However, certain ‘gifts’ may be immediately exempt:
- Payments by a parent towards their child’s maintenance or education are free from inheritance tax. The child must be under 18 or in full-time education to qualify. This treatment does not apply to similar payments from grandparents.
  - Regular gifts which are made from surplus income and do not affect the donor’s usual standard of living are immediately exempt.
  - Up to £3,000 can be gifted each year inheritance tax free. If the previous year’s allowance has not been used this can be carried forwarded to make £6,000.
  - Any number of small gifts of up to £250 can be gifted each year.
  - Each parent may gift up to £5,000 in consideration of marriage or civil partnership. For grandparents the figure is £2,500.

## JUNIOR ISA

Parents and grandparents may make a contribution to a Junior ISA. The annual subscription limit is currently £9,000 (2022/23). This allows a pot of savings which are free from income tax and capital gains to be accumulated for the child or grandchild. If the annual subscription is paid each year from surplus income the gifts may be immediately outside the estate for inheritance tax.

## THIRD PARTY PENSION CONTRIBUTIONS

Contributions can be made into a child or grandchild’s pension although the child cannot access the money until minimum pension age, soon to be 57. Assuming the child has no earnings then contributions will be limited to £2,880 a year but grossed up to £3,600 in the pension with the addition of basic rate tax relief.

Paying contributions to an adult child’s pension can free up their income to be used on other things. This can be extremely helpful to young families to help with saving for a deposit for their first home, mortgage payments, childcare or education and so forth. As they are likely to have earnings themselves, higher amounts up to the annual allowance can be gifted.

We are here to help. Please get in touch if you would like expert estate and inheritance tax planning to protect and pass on your wealth to your loved ones.



Steve Braidford and team presents Amy Pirie from Horse Sense Wirral with a cheque that includes the donations generated by client referrals. "We are very grateful to Financial Life Planning for their continued support which helps us to make such a difference to these horses' lives", said Amy.

# Financial Life Planning plans to keep growing in 2023!

Taking the value of financial planning to the next level.



Steve Braidford  
Director and Financial Planner

**T**here have been quite a few changes to our business over the last 12 months, so I am keen to make sure that all our clients understand what has changed and most importantly, what has not and will not change, which is our focus and dedication to looking after each client as though they were members of our own family.

Many of our clients were originally advised by the firm Parkgate FS LLP created by Bill Ward and Rob Whittle who set the standard for customer service that we are determined to maintain.

As Bill focuses on working with a smaller number of clients and extracts himself from the responsibility of running the business and Rob starts to look forward to a well-deserved rest, they have passed the corporate responsibility for their clients' ongoing advice and planning from Parkgate FS LLP to Milestone Financial Planning Limited, a company managed by myself and my colleague Gareth Higton and which uses the trading style "Financial Life Planning" (FLP).

We recently adopted this trading name

to demonstrate our commitment to providing a comprehensive advice and planning service which is about applying the three elements of "FLP" to use money as a tool to make the most of your lives. As we regularly see in the Client Stories feature of this magazine, this approach to financial planning can add real value to our clients as a complement to the benefits of regular financial advice.

**The most important thing to say is that nothing will change for our clients who will continue to receive our full 'FLP' service.**

Two other small firms also decided in 2022 to trust us with their clients' affairs as they looked to retire, and we are looking forward to speaking with similar firms in 2023 which will ensure that we keep growing and developing the business for the benefit of all our clients.

2022 was a tough year for a variety of reasons and this year is likely to be no easier, which makes it even more important that people receive good quality financial advice.

We are very grateful when you refer your friends and family to us, as we appreciate the trust this shows in the service we provide

## SUPPORTING OUR LOCAL CHARITY 'HORSE SENSE WIRRAL'

You may already know that we like to thank you for any referrals you make in the form of a Marks & Spencer "Dine in for Two" voucher together with a donation of £25 we make for each referral to our chosen charity, "Horse Sense Wirral", who keep the horses they rescue and care for in the fields that adjoin our offices in Thornton Hough. If you would like to donate directly to them, then please visit [www.horsesensewirral.com/donate](http://www.horsesensewirral.com/donate).



**YOUR STORY • OUR ADVICE • YOUR PLAN**



# Protecting your home, family, and income against the unexpected

It will happen to someone, and it could be you.



David Jones  
Financial Planner



FINANCIAL · LIFE · PLANNING

**R**isk management is a key part of Financial Life Planning and takes into consideration the likelihood of negative events that can stop you from achieving your lifestyle and financial goals.

Protection insurance is a term that covers a range of products that can protect what is most important to you by providing you and/or your financial dependents with a lump sum or a regular income should you, for example, temporarily or permanently lose your income, your house or prematurely your life.

It is natural that we are reluctant to contemplate unpleasant events and like to convince ourselves it will never happen to us.

Unfortunately, we often need to see a friend or relative lose their income, house or life before we think seriously about our own responsibilities, both to ourselves and our families.

**Be prepared for life's unexpected surprises and protect what's important to you.**

## CONTEMPLATING 'WHAT IF' SCENARIOS

Let's think about 5 unpleasant scenarios:

- You lose your home, assets and possessions due to fire, theft or accident.
- You lose your home because you or your partner die or

- suffer a serious illness or injury and lose an income.
- You have to reduce your standard of living if you or your partner die or suffer a serious illness or injury and lose an income.
- You need to retire early due to ill health and as a result don't have enough income.
- Your family are faced with an Inheritance Tax bill when you or your partner die.

For each of these unfortunate events you could simply ask whether or not you want protection. We would all love to be protected against everything but there is of course a cost depending on the level of protection we choose.

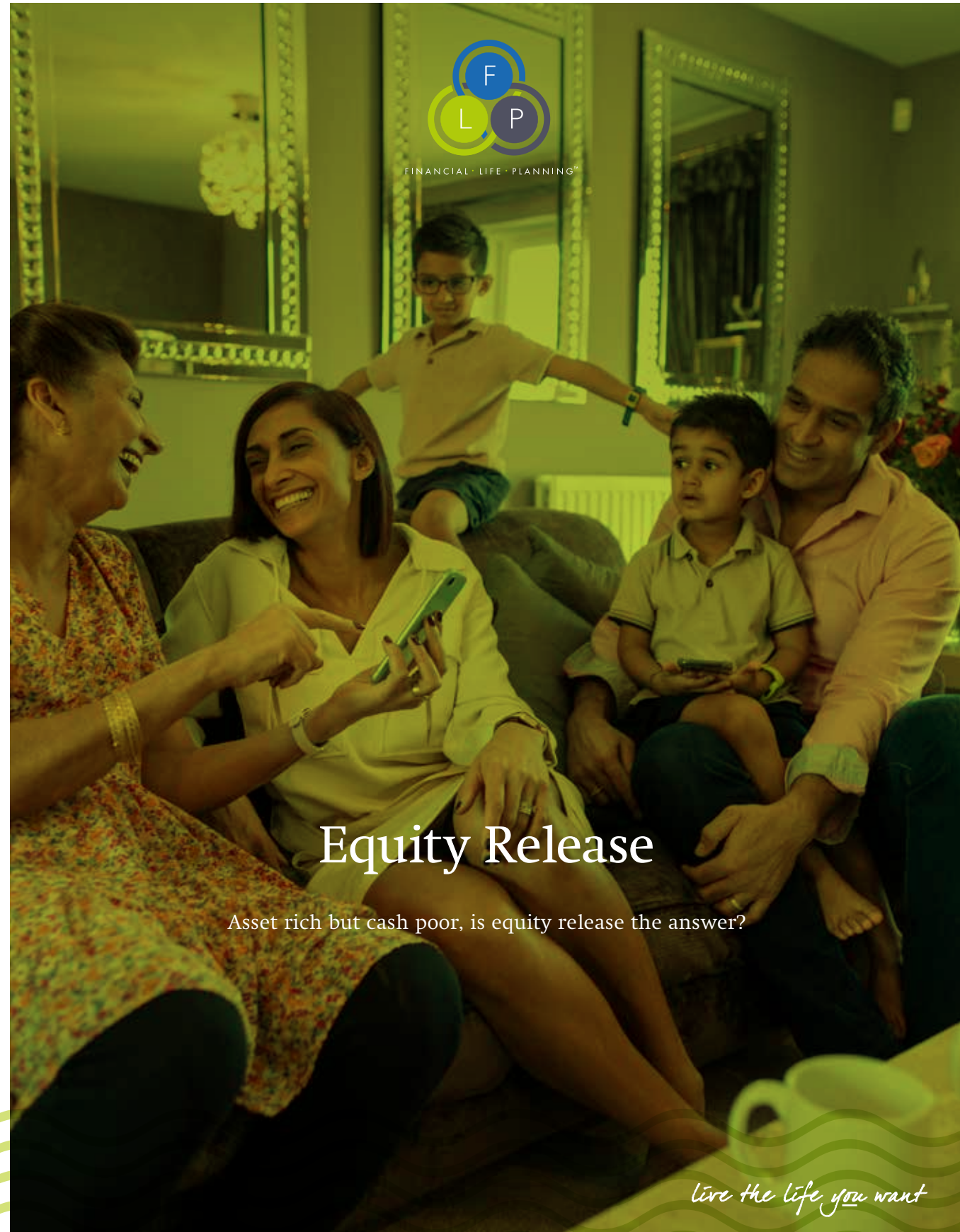
A more nuanced approach is therefore to ask:

1. **Do I want to eliminate this risk?** Pay whatever premiums I have to in order to make sure that I or my dependents will receive at least enough compensation to cover all the possible negative financial effects of the event.
2. **Do I want to reduce the risks?** For a reduced premium, I can at least mitigate the consequences of whatever might happen.
3. **Do I want to take the risk?** Having looked at the cost of the first two options and thought seriously about what I would have to forgo in order to pay the premiums, I am going to roll the dice and bet that it doesn't happen to me/us.

These are great questions to ask, it's just unfortunate that they don't come with a set of right answers!

Everyone must make their own judgement using their own unique set of circumstances but, making a choice in each area based on a full and frank analysis of the likely risks and costs, is a far better strategy than pretending that it will just never happen.

We can use your Financial Life Plan to model the different costs and potential outcomes, to help you make a well balanced and considered choice in protecting what's important to you. 🌈



# Equity Release

Asset rich but cash poor, is equity release the answer?

*live the life you want*



Jackie Williams  
Financial Planner



FINANCIAL · LIFE · PLANNING

**E**quity release allows a homeowner with little or no outstanding mortgage to realise some of the value of their property to help finance their later years.

### MAIN FEATURES OF EQUITY RELEASE

The main features of equity release are:

- Available to people aged over 55.
- Paid as either a tax-free cash lump sum or regular income.
- There are usually no monthly repayments.
- Freedom to spend the money in any way you choose.
- Stay in your home for as long as you want.
- The value of your estate is reduced and entitlement to benefits may be affected.

The two main products offered under the umbrella term of equity release are “Lifetime Mortgages” and “Home Reversions”.

### LIFETIME MORTGAGES

With a lifetime mortgage, you take a loan that is secured against the value of your property providing you with a tax-free cash lump sum or income to spend as you wish.

Interest is added to the loan at a fixed or variable rate each month, until the loan is repaid. This is usually when the home is finally sold, for example upon the death of the last surviving partner or their move into long term care.

The typical amount available through a lifetime mortgage can be anything from 15% to 50% of your property's value. This will vary according to your age (or the lowest of you and your partner's ages). Most plans would also enable you to release further amounts at a later date, although this is not guaranteed.

### HOME REVERSIONS

With a home reversion plan, you sell all or part of your

home to a reversion company in exchange for a tax-free cash lump sum. You won't receive the full market value of the share of your property because the reversion company gives you the absolute right to remain in your home, rent-free, for as long as you choose.

Since both you and the reversion company own a percentage of the property, you both benefit from any growth in its value. When the plan comes to an end, the reversion provider takes its percentage share of the sale proceeds of your property.

### BEWARE OF INTEREST PAYMENTS

Interest rates on equity-release plans tend to be higher than mortgage rates and compound interest can quickly eat into what equity you have left in your home. Many equity release plans come with a guarantee that you will never owe more than your property's value, however, that also means that borrowers can only take out smaller sums against the value of their home than with a traditional mortgage.

Some lifetime mortgages and reversion plans offer the option to take a drawdown of funds rather than releasing all of the money at the outset which can help to reduce interest payments.

### UNDERSTAND THE PRODUCT

Make sure that you have understood the various features of the products on offer. If you are planning to take out a lifetime mortgage, how do the set-up costs vary from one plan to the next?

Do you plan to move in a few years' time or is there a chance that you may wish to repay some or all of the loan at some stage in the future?

Do you want to guarantee that some of your equity is protected so that it is passed on in your estate? You should also find out what would happen if you found yourself unable to continue living at home and needed to move into a care home.

For those who need additional financial resources in later life but cannot simply downsize, be it for family care reasons, health issues, the cost of moving or simply that they love their home and don't want to go through the stress of moving in old age, there are still alternatives and equity release is worthy of consideration.

Please get in touch if you would like to discuss how equity release could become an important element of your Lifetime Financial Plan. We are always here to help.

Think carefully before securing other debts against your home. Equity released from your home will be secured against it.



# Client Stories

## Meet John & Sheena

We help people just like you to achieve the things that matter most to them in life.



Lee Travis  
Financial Planner



*“It was the biggest decision of my life, to stop working. Lee helped us a lot by looking at our options and deciding the best course of action. I am now retired 2 years earlier than I thought and I’m really enjoying it. Sheena joined me at the end of August last year, also bringing her retirement 2 years forward.”*

*“We can now make the most of our lives because you don’t know what’s around the corner!”*

**J**ohn had decided to take redundancy and needed advice on the package that he had been offered. Sheena was already a client, so they knew they could trust the firm to advise them on what they should do next.

Lee Travis prepared a cash flow model that allowed them to look at their options and discuss their financial future. Following this discussion, they have now both retired two years earlier than they thought possible.

### HOW HAS LEE HELPED YOU?

“John decided to take redundancy and was given a redundancy package, so we really needed financial guidance on that. Lee helped us a lot by looking at our options to decide the best course of action.

It was the biggest decision of my life to stop working and we really needed someone we could trust to bounce ideas off and know that we were going in the right direction.

I had worked at the same place for 39 years, but once the finances were worked out and after being on furlough for 9 months, made me realise that we wanted to make the most of our lives. Sheena works for the NHS, but seeing John get the wheels in motion to retire made her think of doing it.

It was a big decision – should I or shouldn’t I stop working. But Lee did the cashflow modelling and said

I could retire now if I wanted to. We’ve got a dog called Millie and we’re looking forward to going on walking holidays with her here in this country. We’re also booked to go abroad to Venice, and we’ve now got the freedom to go whenever we want to go.”

### WHAT’S THE BIGGEST BENEFIT OF WORKING WITH LEE?

“In one word, it’s trust. We know that we can rely on Lee to look after our financial affairs. It’s nice to know that someone is keeping an eye on our finances and if we’ve got any questions, Lee gets back to us straight away.

We really liked the cashflow modelling that Lee did because we could see that we’ll be alright, even if I retired earlier – we can keep the house and still be in the green – we could actually see in the graph that we will be OK!

We didn’t want to work all our lives and then find out we’ve made the wrong decision; we wanted reassurance and needed to know that we’d be alright if I left my job.

It’s also having someone see what we can’t see – Lee



has done the most tax-efficient things, which we wouldn’t have known how to do.”

### HOW HAS LEE MADE A DIFFERENCE TO YOUR LIVES?

“It’s the peace of mind, and by looking at our options, Lee has helped us to make the most of our life. We can now just get on with making the most of our days, without having to think about it all the time. It doesn’t prey on my mind and keep me awake at night, because we’ve got peace of mind now”. 🌈



### FRIENDS & FAMILY PROGRAMME

We would love more clients just like you! Don’t forget that if you are kind enough to refer our services to your friends and family then, as a token of our thanks, we will give you both a £25 Marks & Spencer ‘Dine in for Two’ voucher and make a £25 contribution in your name to our Charity Fund supporting good causes locally.

# Meet the Team

We are here to help. Please feel free to contact any member of the team if you have anything that you would like to talk to us about.



## THE MILESTONE TEAM:

Paula Delaney – Administrator, Bill Ward – Financial Planner, Gareth Higton – Director & Financial Planner, Rob Whittle – Financial Planner, Steve Braidford – Director & Financial Planner, Ross Welsh – Trainee Paraplanner.

**Not present for photo:** Carl Gidman – Mortgage, Equity Release and Protection Adviser, Jess Braidford – Administrator, Ellie Braidford – Administrator, Lindsey Lawson – Administrator, Jenny Allen – Paraplanner and Financial Planner.

Dave Jones – Financial Planner, Kim Mercer – Administrator, Sam Yaffe – Paraplanner, Jane Webster – no longer with the firm, Barry Caldwell – Will Writer & Estate Planner, Courtney Booyens – Administrator, Samantha Booyens – Office Manager, Alan Hodgson – Financial Planner, Hayley Lillioth – Finance Manager, Martin Sharp – Financial Planner, Jackie Williams – Financial Planner, James Oliver – Paraplanner, Sam Braidford – Trainee Paraplanner, Lee Travis – Financial Planner, Duncan MacDonald – Finance Assistant, Bill Elkin – Compliance Director, Matt Taylor – Financial Planner, Jenny Daly – Administrator, Suzanne Bradley – Executive Support, Dave Pryce – Operations Manager.



FINANCIAL • LIFE • PLANNING™

We should all have one big dream  
and a plan to make it come true

**FIND US AT**

Lodge Court, Neston Road  
Thornton Hough, Wirral  
CH63 1JF

**EMAIL**

[enquiries@flpgroupltd.com](mailto:enquiries@flpgroupltd.com)

**WEB**

To find out more visit:  
[www.flpgroupltd.com](http://www.flpgroupltd.com)

**CALL**

T: 0151 329 2272

'Financial Life Planning' is a trading style of Milestone Financial Planning Limited, which is registered in England and Wales no. 08130634.

Registered office, Lodge Court, Neston Road, Thornton Hough, Wirral, CH63 1JF

Authorised and regulated by the Financial Conduct Authority.

Milestone Financial Planning Limited is entered on the Financial Services Register <https://register.fca.org.uk/> under reference 586744



This magazine is printed on paper which is made from 75% recycled Elemental Chlorine Free (ECF) pulp. It is FSC certified, meaning it has been harvested in a socially and environmentally responsible manner. We also participate in the Woodland Trust Carbon Capture scheme, which offsets the carbon emitted by planting native woodland in the UK.

*Live the life you want*