

The Pension Audit Service

From our experience we have found that many new clients who have invested their hard earned money into pension plans are frustrated by not knowing whether their plans will generate the funds they need for retirement.

They are often concerned by year to year performance and yet don't really understand in what they are invested. They rarely review their pension investments and don't give enough attention to pension performance.

We have found that underperformance is usually down to three main causes:

- 1** Funds in most pension plans are not actively managed by a financial adviser and the focus on maximising return has been lost.
- 2** Most plans are not managed towards a defined final objective in line with the client's risk profile and suitable asset allocation
- 3** Many people are not getting value for money, paying higher charges without getting enough in return.

If your pension arrangements are managed poorly, they are unlikely to achieve the level of performance which will give you freedom and financial security in your retirement. It is important to take charge of your pension plan sooner rather than later before it is too late. Acting now could make a huge difference.

That's why Sense has developed the six steps Pension Audit Service. We will show you what you can do to improve your pension arrangements, enhance their performance and achieve your retirement goal.



"You know it makes sense"

Identify your retirement objective

The first step in any retirement audit process is to have a clear view of exactly what your retirement objective is in terms of capital and retirement income and when you want to achieve it. We will need to take into account any other sources of retirement income and capital available.

Analyse the performance of your current plans

We will contact your existing providers and provide an analysis of your plan performance to date, projected benefits, underlying investments, overall asset allocation and charging structures. If your existing plans are great we will tell you. If they are poor we will explain the reasons why.

Review your options

Do your existing arrangements give you access to a wide range of funds, assets and fund management companies? Are they performing well enough? How easily can you get information about fund performance? Is it available on line? How easy and what are the costs involved in switching between different funds? We will look at different investment options which will help you to achieve your retirement goal in terms of fund selection, asset allocation and risk tolerance. You will be fully informed and in a position to take the next important step.

Develop a strategy

Now is the time to take decisions about the way forward. We do not believe in placing all your eggs in one basket because diversification reduces risk and improves the growth potential of your investments. We will manage risk by developing with you an active asset allocation to deliver consistent returns over the medium to long term. We will include assets from a wide range which includes fixed interest securities, stocks and shares, commercial property, land and specialised markets and portfolios.

Implement your plan

Once we have agreed your asset allocation model we must consider the best fund managers to invest your money and this may include your existing fund managers. It is possible to include several fund managers within the same plan and selecting these is the cornerstone of our investment policy. We will then agree what changes are going to be made to your pension arrangements and with your permission we will take charge of the project to manage those changes. Dealing with pension providers can be time consuming and frustrating but our experience in this area can progress the project as quickly and efficiently as possible.

Review your plans regularly

To ensure that you stay on track to reach your retirement goal it is essential that regular reviews of your plan take place. The frequency of these reviews will be agreed with you and will depend upon how far away you are from retirement and your changing risk profile. Where appropriate we will recommend switches to funds and fund managers and changes in asset allocation and we will implement agreed changes for you.

"You know it makes sense"

So what's the next step?

If you answer no to any of the following questions you will benefit from the Sense Pension Audit Service.

- Have you reviewed your underlying pension investments in the last five years?
- Do your pension fund investments accurately reflect your attitude to risk?
- Does your present plans' projected retirement income meet your expectations?
- Do you know what you are paying in charges to manage your pension plans?
- Does your existing adviser complete a full review at least once a year?

If you answer yes to any of the following questions you will benefit from the Sense Pension Audit Service.

- Do you have more than one pension plan?
- Do you find it difficult to keep track of all your pension arrangements?
- Is your present provider closed to new business limiting opportunities for pension fund growth?
- Are you concerned about the vagaries of you pension's performance?
- Are your pension funds valued at £25,000 or more?

Sense Financial Solutions is committed to delivering the very best personal service to our clients, ensuring they receive impartial advice and the right information to help them make their own decisions. Because we are Independent Financial Advisers we can offer our clients best value by researching and seeking products and solutions from the whole marketplace of product providers.

We offer all prospective new clients a free one hour initial consultation with no obligation. The purpose of the meeting is to establish how we can assist in helping you to achieve your financial goals and objectives. We will undertake a preliminary review of your financial situation and establish a realistic assessment of what you need to do. We will also discuss and agree with you how we can be paid for work that do. Our remuneration structure is based on the successful management of our clients' assets over the medium to long term.

Sense Financial Solutions Ltd
The Business Centre Beeston
Technology Drive
Beeston
Nottingham
NG9 2ND

Office Telephone: 0115 922 7107
Email enquiries: sendmeinfo@itmakessense.net
Website: www.itmakessense.net

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