Benchmark

Fair Value Statement

Firm Name: Beale’s Financial Services

July 2023

About Us

Introduction

This document is aimed at providing you with a brief overview of our firm and to introduce our services.

Beale's Financial Services offer tailored, personable Wealth Management to individuals and families based in the UK.

We pride ourselves on our ability to help our clients achieve their financial goals and objectives through the application of our knowledge and passion.

Passion – we truly believe that success is achieved through helping others. Our approach is centred around our clients, ensuring we understand their individual needs so that we can successfully guide them through their financial journeys.

Beale's financial services is a father-son business first established in 2020 by Peter Beale.

Luke Beale joined the business in January 2022 as a partner.

Through the use of a carefully structured process, we ensure our clients receive the highest level of service, ensuring they benefit from the advice and support they require dependant on their personal circumstances. With regular face-to-face meetings, telephone support and the knowledge that they will always speak to one of our advisers whenever required, our clients feel reassured that we are always here when needed.

Our commitment to our clients runs deeper than a simple meeting structure and we work tirelessly behind the scenes to ensure that we remain up-to-date with the latest industry requirements, competent in our product knowledge and supported with the highest quality back office systems and compliance controls. This is achieved through:

- Continual Professional Development (CPD)
- Industry Qualifications (Diplomas, Certificates, Awards etc.)
- Being part of the Best Practice IFA Group (Access to regulatory supervision and compliance framework)

As Financial Planners, each year we evidence the learning activities we have completed to maintain competence in our role and improve our knowledge This allows us to continue providing suitable and up to date advice to our clients, year on year.

This document contains further information and details about the Value of our Service.

The Value of our Service

Best Practice Member Firm Business / Directly Authorised

- Best Practice provide an institutional regulatory supervision and compliance framework service which provides us with a high level of regulatory assurance and leading-edge client management systems.
- This high quality and financially sound organisation ultimately provide us with a high level of assurance and comfort around the regulatory framework of the proposition and services we deliver to you, our clients.
- By leveraging the quality and services of an organisation like Benchmark, a Schroders plc group company, we have comfort that we will remain at the leading edge of our profession, ensuring we maintain a "Best Practice" approach to serving our clients. Many of the benefits we derive, we see as having direct value add relevance for our clients, including:
    - The provision of an independent complaints handling process for all of our clients,
    - Enhanced professional indemnity insurance
    - Integrated client technology systems, including the Wealth Platform
    - Independent compliance supervision of our advisers and the suitability of our client advice.

Our Proposition – Initial Advice (Onboarding)

Initial Advice

We follow a detailed process to ensure a comprehensive onboarding experience which lays the foundations for a prosperous on-going relation between ourselves and our clients:

- Getting to know you
    - Determine your goals for your financial future and how we can help you achieve them.
- Information Gathering
    - Confirm your current situation by completing a Fact Find as well as an Investment Risk Questionnaire.
- Research and Analysis
    - Assess and identify any gap in achieving your desired objectives – create an action plan.
- Presenting your Financial Plan
    - Discuss and explain our recommendations in line with your Financial Objectives.
- Implementing your Plan
    - Complete all necessary documentation

The above process ensures that our clients are kept informed and educated through every step of the onboarding process, ensuring any decisions made are fully informed.

We provide our clients with our service proposition and information on our fees at the earliest possible opportunity to allow full transparency on how we work and how we are remunerated.

Advisory Services - Annual Review Service

- For ourselves and our clients, this is an integral part of the financial planning journey and our annual ongoing advisory service. It gives us an opportunity to sit down with you and your family, to reflect on the past year and to look forward and consider what might be on the horizon for you in the coming years. To give you reassurance and peace of mind about how your investments are tracking against your goals and to review our plans in the context of any changing circumstances in your life, new goals, or changes in your objectives.

- We consider the outlook for markets and the economic landscape and changing tax regulations which might impact on your current plans. We make sure everything we are doing remains suitable and is aimed at helping you and your family to achieve your goals.

- An opportunity to think about the coming years, plans for your family, begin to consider key life stages and events and how we might need to adapt our plans for them.

- Ensures your current position is still appropriate for you.

- We have created 3 service levels within our proposition to ensure our clients always receive value for money, whatever their circumstances. Each service level includes some (or all of) the following:

    - Pension Planning
    - Investment Planning
    - Protection Planning
    - Cashflow Planning
    - Inheritance Tax & Estate Planning
    - Long Term Care
    - Wealth Management

Further details of the service levels and our propositions can be found within our Service Proposition Document.

Below is some information on the specific advisory services we offer and how these add value for our clients:

Advisory Services – Cash Flow Planning / Forecasting

- This helps our clients visualise how your plan has been set up to meet your objectives.

- The cash flow forecasting provides a visual illustration of how a client's investments and wealth will move over time in relation to the financial plans that we formulate to meet their goals. This gives clients considerable comfort knowing that there is some mathematical rigour to our advice and how it will help them to meet their goals.

- Cash flow planning allows us to scenario test your plans against historical market events and simulate how our clients' goals could be impacted by these types of events. It allows us to show how risk events might impact portfolios. It's a really great way to help you understand more about investment risks and how it translates to the plans you have in place. It helps you to feel more informed and comfortable about your plans.

Advisory Services – Family Protection Planning

- It may be an uncomfortable subject but we all need to plan for the unforeseen in life and how this would impact ourselves and our family. We can help you to consider different scenarios which could occur and identify if there are any shortfalls in your protection planning. We can explain what options you have to address these shortfalls and how they would ensure you and your family are able to maintain your lifestyle and still meet your longer-term financial goals, in the event of ill health or death.

- We continually attend webinars, read reports and research this area to ensure we are able to find the best/most suitable product specific to our clients.

Advisory Services – Holistic Financial Planning

- It is not just about monetary goals; this is about life and family and a consultative approach. This enables us to help clients to think about things they may not have considered and how plans can work together to create a cohesive timeline of advice.

Advisory Services – IHT and Estate Planning

- We work with your other professionals who have a deep knowledge and understanding of HMRC tax rules in relation to clients and their estate's assets. We can help to understand the value of future liabilities and design and implement strategies to reduce this burden, often saving clients thousands of pounds in potential tax charges. This provides real value and peace of mind that your loved ones will be looked after when you are gone.

Advisory Services – Retirement Planning

- A key life phase. This is an area of planning which deserves significant time in reviewing for our clients each year. Often undertaken in the background, we check on the progress of plans and investments you have made to fund your life in retirement. Adapting to market swings and modelling various impact scenarios. Retirement planning is one of the most valuable services we provide our clients.

- A large portion of our clients are currently in retirement, following our advice and drawing on their assets to live a stress-free life in retirement. Our retirement planning takes the worry away from our clients whilst ensuring they remain tax efficient.

Advisory Services – Long Term Care

- Long Term Care can be a complex, emotional and difficult topic. Whether thinking about yourself or exploring options on behalf of a loved one, we will simplify and explain all the options available and how best to plan for them.
- Our advisers have both completed the Long Term Care Award, providing the necessary qualifications and knowledge for providing advice in this area.

Advisory Services – Tax Efficiency

- Making sure we consider tax reliefs and allowances, enables our clients to maximise their after-tax wealth. If you don't take advantage of annual tax reliefs, then you could quite literally be paying more tax than you need to. We can evidence the amount you have potentially saved through our planning.

Advisory Services – Market and Product Research and Analysis

- To recommend the most suitable solutions for our clients, we invest in and use professional tools to conduct research and analysis of provider and product solutions. This ensures we can make recommendations to best meet your needs and goals.

Investment Proposition (and Philosophy)

Investment philosophy

An investment philosophy is the overall set of principles or strategies that guides and steers our investment decisions. It helps us to simplify a complex industry, allowing us to concentrate on our relationships with our clients, safe in the knowledge that we are doing our best to protect and grow their assets.
While investment performance hinges on many factors outside of our control, most notably the return on markets, we can control other factors. These are the ones we deem the most important when creating and managing a portfolio, selecting the types of funds for clients to invest in, the cost of the investments we choose and what we look for when choosing the providers we do business with. It is important that we can justify investment decisions to clients and make it clear why we have invested their money in a particular way. Our philosophy summarises our approach.

We believe in diversification

One of the most important views to arise from modern portfolio theory is that investors should avoid concentrated sources of risk by holding a diversified portfolio. There are three primary factors which influence portfolio performance i.e. asset allocation, stock selection and market timing.
Diversification of an investment portfolio across a variety of different low correlated asset classes should help to reduce the overall level of risk compared with, say, a portfolio which only includes bonds. For example, the inclusion of a small investment in a higher risk asset invested in a completely different area, in a portfolio comprising solely of UK bonds, can actually serve to reduce the overall level of risk in the portfolio when viewed as a whole. This is because the behaviour of the higher risk fund differs to that of UK bonds in how it reacts to varying economic events. An effective combination of different asset classes can significantly reduce the risk of a portfolio without reducing its potential for growth.

We believe that cost is an important investment criteria

We believe that cost is an important factor in selecting a product or investment fund. We recognise the need to select companies with sufficient financial strength and adequate levels of service, however cost is one of the few known criteria at outset and it has a demonstrable impact on future investment returns.

We adopt a flexible passive investment approach

Passive investing is a style of investment management where a fund's performance aims to mirror a market index. Passive management works in conjunction with modern portfolio theory and the efficient market hypothesis, which renders individual stock picking or tactical asset allocation futile. Instead of concentrating on strategic asset allocation to arrive at the right level of risk for clients, through minimising costs, passive investors hope to generate better returns over the medium to long term.

We believe it is pointless to search for undervalued stocks or to try to predict trends in the market through either fundamental or technical analysis. If active fund managers were able to successfully exploit inefficiencies in the market, they would achieve higher returns persistently over time, and not just in the short-term.

Although we have adopted a passive approach to investment there is an element of active management from the fund managers. We are constantly reviewing the market to ensure that the recommended strategy is suitable for each individual client. We do not assume that passive investment is suitable for all our clients.

Discipline

Sometimes our emotions can lead us to make simple mistakes when investing. Like buying the latest hot investment when prices are high then panic-selling when prices drop – the opposite of what common sense says we should do.
The most successful investors are often those with discipline. Those who invest for the long term and do not tinker with their portfolios too much.

Using Passive managed risk rated funds: -

- By keeping your costs low, you keep more of your returns. Those savings can really add up, especially in the long term
- The additional cost of Active managed funds is not justified by their performance when compared to Vanguard Funds
- Studies show performance comes from Asset allocation rather than individual stock selection
- Greater diversification of assets leads to reduced market risk.

Technology
• One of the reasons we chose to work with Benchmark, was their technology. Something they have won numerous awards for. Ultimately backed by Schroders, we have every confidence that the security of our client's information within Benchmark's client management technology systems, is in very safe hands. This decision is something we know our clients expect us to get right. It's incredibly important to them and a reason they feel safe working with us. • Our client management systems create adviser efficiency, allowing us to spend less time recording information on systems and more time focused on providing you, our clients, with good quality holistic financial planning advice. • Our clients also have the ability to log into a client portal and check the value of their investments, should they wish to do so, at any time. This portal can also be used to securely share documents.

Summary

To summarise, we believe our clients see real value from our services, which provide them with personalised, holistic financial planning advice and peace of mind through the use of:

- Carefully structured processes, which are reviewed regularly
- Varying service levels within our proposition to ensure clients receive advice and services in areas specific to their needs
- Continuing Professional Development for all advisers at the firm
- Being a member of a large organisation offering a compliance framework, award winning technology systems and regulatory supervision
- Regular meetings to monitor progress and adapt plans according to changing objectives
- Thorough market research and analysis, completed on a regular basis (at least twice yearly)
- A commitment to our clients