



BEST LIFE
FINANCIAL PLANNING LTD
— RETIREMENT PLANNING SPECIALISTS —

Fair Value Statement

Firm Name: Best Life Financial Planning Ltd

November 2023

About Us

Introduction

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

In this document, we intend to illustrate how we assess value and whether there is fair value between the total price of the service and the benefits and their quality that our clients receive.

Best Life Financial Planning Ltd is a relatively small Financial Planning Firm based in Felpham, West Sussex. The only adviser is Joe Froud who is a Level 7 Certified and Chartered Financial Planner. Joe is supported by Tom Ford who is an administrator and Unity Paraplanning Ltd who provide research and technical support.

Our service proposition has been designed to meet the needs and objectives of our clients and to ensure fair value is received by engaging with our service.

We work with clients who are still working and building their assets, planning for their ideal lifestyle. We then help those clients enjoy their retirement years. We have two ongoing service propositions, the elite service is suitable for those with assets in excess of £75,000 and who are making regular monthly investments. Our full service is suitable for those with assets over £150,000.

The tangible benefits of working with us include:

- Investment advice
- Tax Planning
- Pension advice
- Financial administration outsourced to us
- Financial Forecasting
- Protection advice
- Introduction to other professionals
- Periodic e-mail/newsletter

The intangible benefits include:

- Behavioural coaching (so that clients don't make financial mistakes)
- Confidence and peace of mind to enjoy their best life
- Getting the big financial decisions right
- Income sustainability assessments
- Peace of mind
- Support to spouse/partner on death

The Value of our Service

Chartered and Certified TM Financial Planner	
<p>Why our adviser chose to be a Chartered and Certified Financial Planner TM – and how does that translate to value for our clients.</p> <p>Describing our commitment to the highest level of professionalism in our industry.</p>	<ul style="list-style-type: none"> • Being recognised as a Chartered and Certified Financial PlannerTM means we are committed to the highest standards of professional competency, ethical standards, and integrity. We represent the gold standard in financial planning. We know this gives our clients a great deal of comfort. • The requirement to become a Chartered and Certified Financial PlannerTM with the Chartered Insurance Institute and CISI respectively, is the culmination of years of learning and professional practice.
Network Member Firm Business / Directly Authorised	
<p>Being an Appointed Representative of the Network – a “Member Firm”.</p> <p>Why did we choose the Network to work with?</p> <p>How does working with Benchmark benefit our clients?</p>	<ul style="list-style-type: none"> • The Network 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 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: <ul style="list-style-type: none"> ➤ 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.

Your Proposition - Initial Advice (Onboarding)

What is your initial advice process and what value will your clients derive from this?

Initial Advice

Detail your initial advice process followed with every new client, setting the baseline for an on-going value-based relationship with clients. Consider and elaborate on the value added by the following steps:

- Initial Phone call
- Discovery meeting – getting to know you
- Establish your goals and objectives / needs and wants
- Establish your priorities
- Establish your attitude to risk and capacity for loss
- Construct a holistic financial plan
- Meet to discuss the financial plan
- Analysis of existing products
- Research of potential solutions and recommendations
- Product recommendations
- Meet to discuss the product recommendations
- Agree implementation

We separate our service into two very distinct parts. The initial financial planning service, followed by the product recommendations.

We believe that the best product advice can only be given once the client has a fully personalised financial plan which we have worked together on and agreed with them.

Advisory Services - Annual Planning Service

What advisory services do you deliver as a Financial Planning Firm and what do you feel is the value your clients derive from each of these services?

- For us and our clients, the annual planning meeting is an integral part of the financial planning journey and our annual ongoing planning 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
- The annual planning service also gives us another opportunity to focus on the behavioural side of financial planning. Ensuring you never make a financial mistake.
- 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. **Full Financial Planning service only.**
- 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. **Full Financial Planning service only.**
- Advice on Bed and ISAs is provided without additional cost as part of our ongoing service.

- 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. For us, this often relates to the intangible/emotional challenges faced by those approaching retirement.
- Retirement is a key life phase. This is an area of planning which deserves significant time in reviewing for our clients each year. Often in the background, checking on 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. **Full Financial Planning service only.**
- Some of our clients are now 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. **Full Financial Planning service only.**
- Making sure we consider tax reliefs and allowances, enables 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.
- To recommend the most suitable solutions for our clients, we 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.
- Business advice – key man insurance / shareholder protection planning – highlight the value which can be added through these products.
- Relevant life for Directors and the value which can be added i.e. tax efficiency / business deductible expense / savings can be illustrated in £'s and pence and can be significant.
- 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 they are gone.

Advisory Services – Equity Release

What advisory services do you deliver as a Financial Planning Firm and what do you feel is the value your clients derive from each of these services?

- Equity release can be a valuable source of financial planning for clients aged 55 and over. It is not something to enter into lightly and with our experience and expert advice, we will ensure you fully understand your options and that any advice to release equity from your home is suitable for your circumstances and needs. There may be other options to consider before taking this step and we will ensure these are understood before you make any decision about an equity release loan.

Advisory Services – Long Term Care

What advisory services do you deliver as a Financial Planning Firm and what do you feel is the value your clients derive from each of these services?

- 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.

Non-advisory Services – Other services

What non-advisory services do you deliver as a Financial Planning Firm and what do you feel is the value your clients derive from each of these services?

Life Goals Planning

- To help clients consider their short / medium / long term goals in life and provide financial solutions to help them in their plans to achieve these goals.

Financial Coaching

- Financial Coaching can add significant value at various times throughout the financial planning journey and help you to make considered financial decisions.
- Lifeboat drills carried out before we start working with clients. Educating them on historic volatility and the need to stay calm.
- Amounts to invest to meet your goals
- How and when to release capital or take income
- Reassurance in volatile market conditions
- Understand how markets work and the journey you can expect
- Understanding legislation and tax changes
- Financial coaching – professional sense check – behavioural guidance - we help to take the emotion out of financial decision making and helping clients avoid falling into common mistakes.

	<p><u>Education Planning</u></p> <ul style="list-style-type: none"> • Many clients want to support their children through university and we can help you put in place a financial plan to meet these costs in full or in part. This will provide you with the knowledge and peace of mind that this very important goal is in hand and will be reviewed year on year to make sure you are on track. <p><u>Client e-mail newsletter</u></p> <ul style="list-style-type: none"> • We issue an e-mail approximately every month with various behavioural coaching, lifestyle and investment updates. <p><u>Maintaining professional competency – Annual CPD</u></p> <ul style="list-style-type: none"> • As a Financial Planner, 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.
--	--

Your Firm’s Investment Proposition (and Philosophy)	
<p>What is your investment proposition how does it add value to your clients?</p>	<p>Main investment proposition</p> <p>We prefer to have control over our internal investment solutions via our model portfolios, which are built in house. We receive assistance from various fund houses when reviewing and managing our portfolios.</p> <p>However, we may also use multi asset funds and discretionary fund managers from time to time for specific cases or client segments.</p> <p>Investment Philosophy</p> <p>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’re doing our best to protect and grow their assets.</p> <p>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.</p> <p>It’s important that we can justify investment decisions to clients and make it clear why we’ve invested their money in a particular way. Our philosophy summarises our approach.</p>

It is to be noted that we sometimes divert from our main passive/evidence-based investment philosophy based on client requirements or preferences. While we believe that outperformance from actively managed investments is rare, we appreciate that it is possible to do so, and we are not overly dogmatic in our beliefs.

Investing in actively managed solutions is typically a higher-risk strategy, as this can lead to reducing diversification and runs the risk of underperforming the markets. That being said, taking on this risk could potentially lead towards higher long-term returns and may be appropriate for some clients.

We believe the capital markets work

The prices of securities reflect the expectation of all market participants. The capital markets are far from perfect, but they do a good job of fairly pricing all available information and investor expectations about publicly traded securities.

We believe that risk and return are related

There is good risk and bad risk. Higher exposure to the right risk factors or premia leads to higher expected returns but is no guarantee of them. Risk is the premium investors pay for the expectation of a greater return.

We believe that asset allocation and portfolio structure drive return

We believe the most important factor determining the level of risk and variability of return in a portfolio is asset allocation.

We believe that consistent outperformance is rare

Economic uncertainties, random market movements, and the rise and fall of individual companies mean it is extremely difficult for anyone – including professional fund managers – to beat the market in the long term.

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 fund invested in a completely different area, in a portfolio comprising solely of UK bonds, can 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 criterion

We believe that cost is a critical 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. This informs both our asset allocation strategy and fund selection criteria.

In addition, every time an investment is bought and sold costs are incurred. These include the bid/offer spread, price effects, and stamp duty. We aim to keep the portfolio turnover rate as low as possible using strategic asset allocation and limiting the movement of funds wherever possible. The cost of a higher portfolio turnover is often hidden, taken out of investment returns.

However, it must be noted that we are not looking for the lowest cost option in all scenarios. While we aim to keep costs low, value for money will be considered.

We believe investors' behaviour is a key determinant of their long-term outcome

We believe that the longer you stay invested, the greater the probability that your investment will generate a positive return. Once an investment strategy has been agreed with clients, it is important to stick to it, in good times and in bad. We don't believe in timing or playing the market.

We adopt a passive investment approach

We believe that cost is important to the performance of a fund and there are only limited situations where we believe there's added value that an active fund manager can bring. As a result, we believe in using low cost, typically passive investments which keep down the total cost of the portfolio for assets where we believe there's limited opportunity to find alpha returns and therefore little value in paying a premium for active fund management.

By using a predominantly low-cost passive investment approach we keep the total cost of the portfolio relatively low, even when the small amount of more expensive active management is included.

Ethical/ESG Investing

We are conscious of ethical/ESG investing and will incorporate this alongside the traditional investments that we offer. We may consider "light green" or generically ethical/ESG investments within our standard investment proposition, for example our in-house ESG portfolios.

If clients have specific requirements or ethical concerns, research will typically be completed on a case-by-case basis to ensure that the client is comfortable with the investment solution that we recommend due to the specialist and subjective nature of these investments.

	<p>Retirement income investing</p> <p>When investing for income (such as pension withdrawals from drawdown) we generally recommend a total return approach, as opposed to an income-focused portfolio. This has many benefits, namely:</p> <p>Maintains portfolio diversification</p> <p>Many high-income producing strategies are not able to achieve the same level of diversification as total return portfolios as they are restricted in terms of investment choice. High yield investments have also shown to pose a potential liquidity risk in recent times, certainly in the case of fixed interest investments.</p> <p>Greater flexibility over the size and duration of withdrawals</p> <p>Not only does a total return approach provide clients with more certainty in terms of regular income, but it means that they are not constrained by dividend or interest payment dates. Total return investing also allows for a greater ability to implement flexible spending strategies by adjusting spending in proportion to the growth of their overall portfolio rather than by focusing on the income that it is yielding.</p> <p>Generally, more tax-efficient</p> <p>In the case of unwrapped investments such as GIAs, it can sometimes be more tax-efficient to target growth instead of high-income producing investments.</p>
--	---

Technology	
<p>What technology do you use and how does this add value to the client?</p>	<ul style="list-style-type: none"> • 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 – enabling us to spend more time directly helping our clients. • Client technology such as an online portal allows interactivity, convenience and security to the client. All of which add value to clients.

Other Value Statements - Working with your Firm / a Financial Adviser – Tangible and Intangible Benefits

- Working with a professional financial planner provides expertise and peace of mind
- We build multi decade trust-based relationships with our clients. We get to know what really matters most to them and their families. What they are trying to achieve in life and help them to achieve it.
- Our relationships are often the longest standing relationships our clients have. They lean on us for so much more than the financial plans we cultivate and manage for them. This doesn't happen without trust.
- Our periodic newsletter helps us stay in touch frequently with our clients, helping them make better not decisions, not react to market swings and raises important subjects where applicable.

Summary

Considering all areas included in the assessment of value, we believe the service provided is demonstrating value overall and our service proposition along with this value statement has been approved by our network, Best Practice IFA Group Limited.

Important information: Best Practice IFA Group Limited is authorised and regulated by the Financial Conduct Authority, registration number 223112. Registered in England and Wales No 04490633. Evolution Wealth Network Limited is authorised and regulated by the Financial Conduct Authority, registration number 591218. Registered in England and Wales No 08229133. Registered office: Broadlands Business Campus, Langhurst Wood Road, Horsham, West Sussex, England, RH12 4QP.