



Ribble Wealth Management Limited
Professionalism . Integrity . Trust

How your financial plan is developed



**All you need to know about our services
and how we develop a financial plan
specifically for you.**

Contents

This guide gives you all the key information you need to know about how we develop your bespoke financial plan and why understanding your attitude to risk is so important.

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The financial planning process in brief

We, at Ribble Wealth Management Limited, appreciate that everybody is unique and that how, and with whom, you invest your money is one of the most important decisions you will make.

Furthermore, financial planning is a very personal matter. No two people have identical circumstances, ambitions and needs. What's more, needs often change over time and everyone's financial situation is different.

We offer a comprehensive advice service that enables us to support your individual needs so that you can invest with confidence. The financial plan we produce for you is unique and individually tailored to suit your particular needs.



So how do we develop a financial plan for you?

Identify your needs and objectives

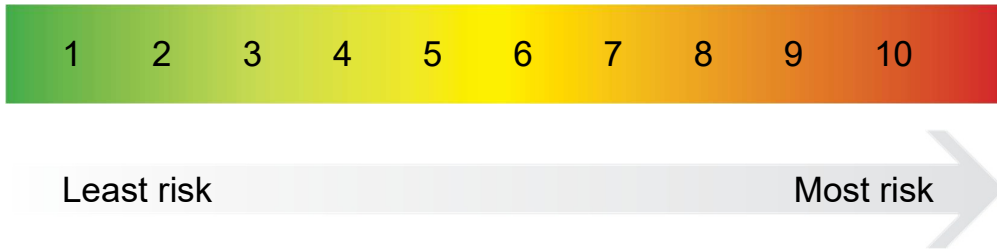
As a first step, we will arrange an introductory meeting. We will explain fully how the service works, discuss your primary financial needs and objectives and answer your initial questions. By hearing how we work with our clients, you'll have the opportunity to make sure that our service will be of value to you.

Gather information

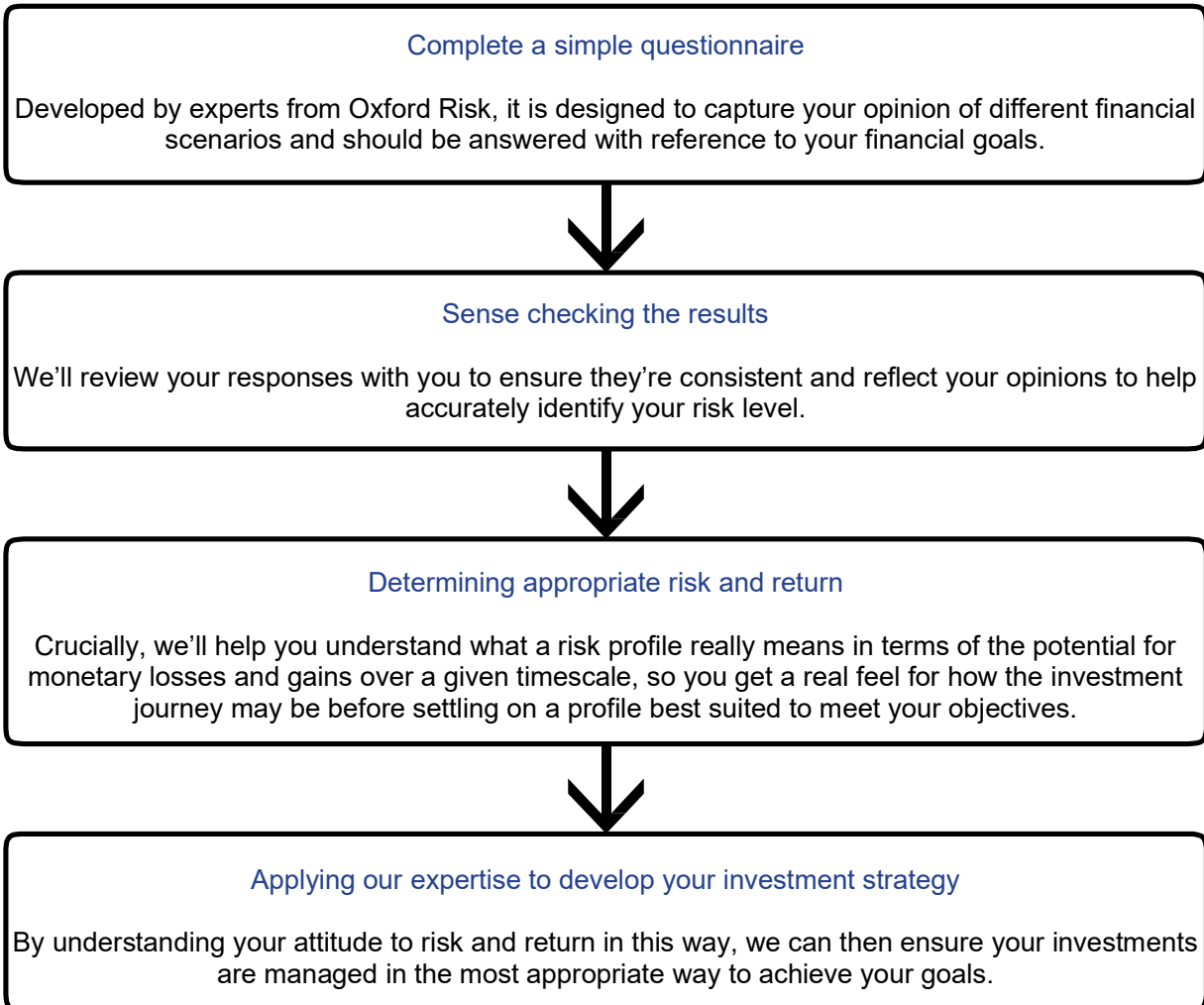
If it is agreed that you could benefit from our service, we will go into much greater detail with you, looking at your objectives and developing them into well-defined goals. At the same time, we will gather detailed financial information to give you a comprehensive picture of your finances and commitments. It is critical that we get a full picture of your current financial circumstances, plans for the future and any financial goals you may have.

Identify your risk profile

One key element in the financial planning process is to identify the level of investment risk you feel comfortable taking when considering the potential for returns. Our “Attitude to Risk” process is designed to help you understand the implications – in terms of potential gains and losses – that following a particular financial plan might involve. As individuals, we’re all very different so measuring your attitude to risk compared to another person needs to be done in a way that is independent, scientific and robust – but above all, in a way that makes it crystal clear to you what the implications might be for your financial plan. That’s why our process produces a risk score from 1 (least risk) to 10 (most risk) which acts as the basis for discussions which will allow you to determine the risk level best suited to your needs – allowing us to build a plan to meet your goals, rather than taking a “one size fits all” approach.



Our process has been developed by leading experts and has proved to be simple yet effective. By following the steps below, you can be confident that the risk profile we agree upon for you is accurate and reflective of what you will want to achieve from your investment strategy.



By applying our proven risk profiling process, you can be confident that we're really getting to the heart of helping you achieve your financial goals.

“Risk only comes from not knowing what you are doing”

Warren Buffett

Prepare an analysis

Once these details have been agreed with you, the information is used to complete a personal financial plan. This includes a complex analysis of your current financial position and looks to identify any areas where it is felt that your existing financial arrangements could be more effective – or, where you have no plans in place already, to achieve your stated objectives by suitable arrangements.

Develop a plan of action

With a full understanding of your circumstances, priorities and attitude to risk, we can construct your financial plan. This report sets out specific and realistic recommendations designed to achieve your stated objectives, both in the short and longer term.

Implement your plan

We will then present you with your own plan. At this meeting, each recommendation will be carefully explained and all your questions answered. It is, of course, your decision as to whether you choose to implement the recommended strategies in full, or in part. Attainment of your goals, whether it be some or all of the recommendations, will only arise from positive action and your own desire to make this happen.

We will:

- ∞ walk you through all the necessary paperwork, as required, in order to ease the administrative burden;
- ∞ only deal with reputable investment firms that we know and trust;
- ∞ ensure that the investments selected will be suitable for you.

Monitor your progress

Agreeing and implementing the right financial plan is only the beginning of the process. Your circumstances and goals may change over time.

We will:

- ∞ provide you with regular updates on your investments;
- ∞ agree a regular schedule for reviews if you require them;
- ∞ ensure that, as your plans and goals change over time, your investments continue to match your needs, taking into account any changes in your personal circumstances, financial market conditions and relevant legislation.

Our investment ethos

Our job, as financial planners, is not to guarantee future returns or to try and second-guess which investments will perform best; after all, we don't have a crystal ball!

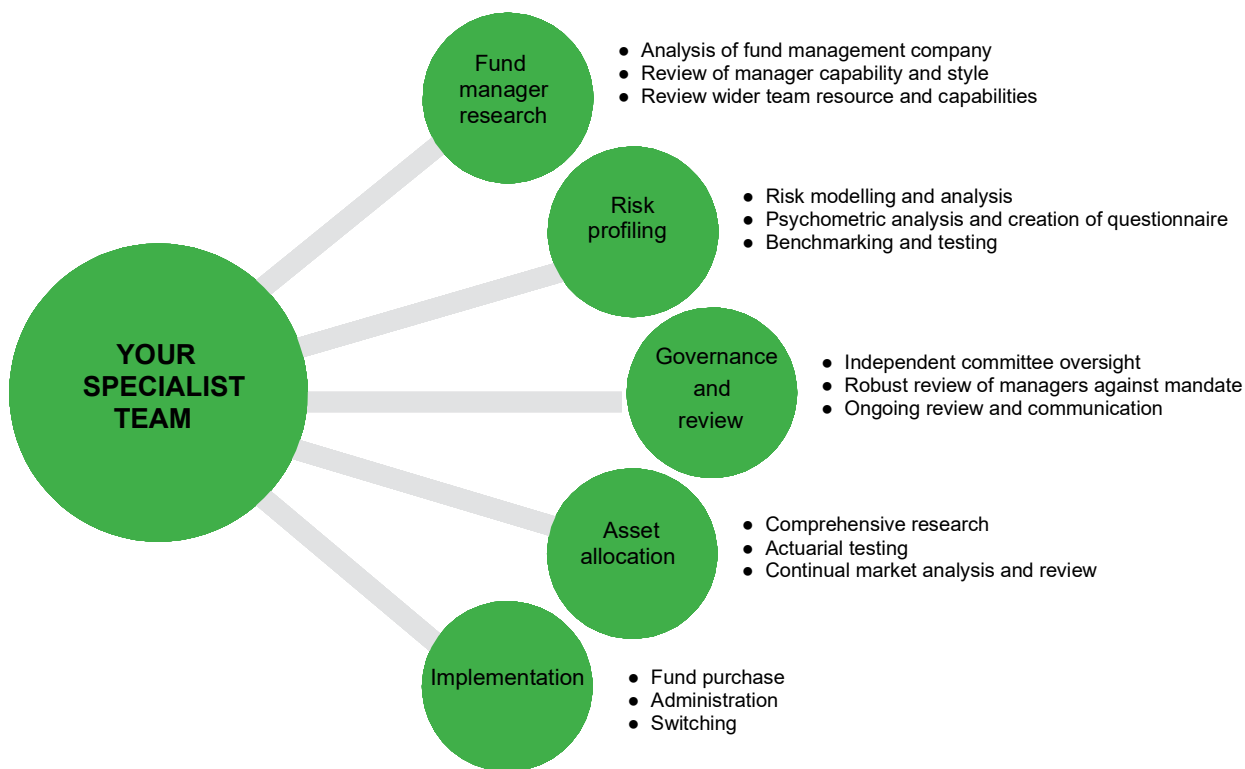
Our job is to use our knowledge, skill and experience gained over many years to maximise the chances of you achieving your aims and objectives.

The guiding principles at the heart of our investment ethos are that we will:

- ∞ invest your money to best meet your goals, not simply speculate on the latest trends;
- ∞ find out what is important to you and build a plan to meet your goals;
- ∞ employ the talents of a wide array of specialist on your behalf, where required, so that you don't have to.

The team we employ on your behalf

We use a robust, repeatable and proven investment process that makes use of a host of expertise from across the investment management profession. Simple though our process may appear, you can be sure that, when we arrive at a recommended investment strategy for you, a great deal of expert resource has been used to formulate that recommendation.



Focusing on what's important

With all that life can throw at you, focusing on your money can be hard. As financial planners, we aim to cut through some of the common illusions and misconceptions about investing.

We believe in speaking plainly, not trying to confuse you with jargon or technical terms – keeping complex things simple.

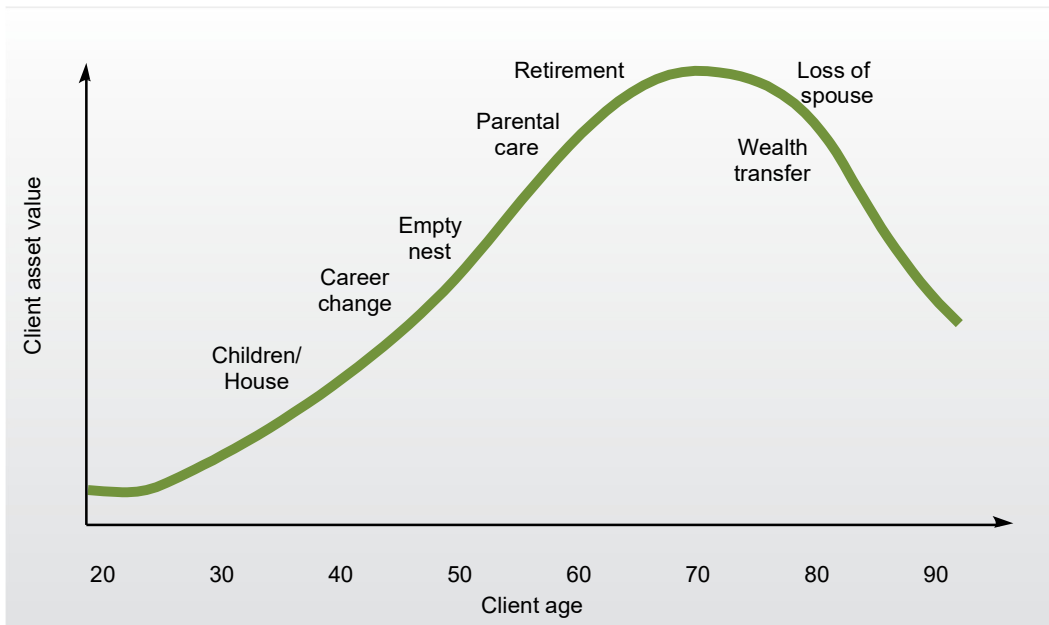
We also believe in goal-based financial planning – focusing on what you want to achieve and building a solution to meet those needs.

Goal-based financial planning

We all have different goals in life. As time goes by, our priorities and aspirations may change. Equally, you may feel very differently about one area of your finances compared to another. For example, some money you may want to keep safe for retirement, whilst you may feel you want to invest other money more adventurously.

Our investment process allows you to plan for all of your goals, not just one plan to try and fit every aspect of your life.

Understanding your financial lifecycle



With so many life events having a potential impact – for good or for bad – on your financial wellbeing, we at Ribble Wealth Management Limited feel we are best placed to take an outside – and most importantly, an independent – view and can advise accordingly.

Analysis of your current investments

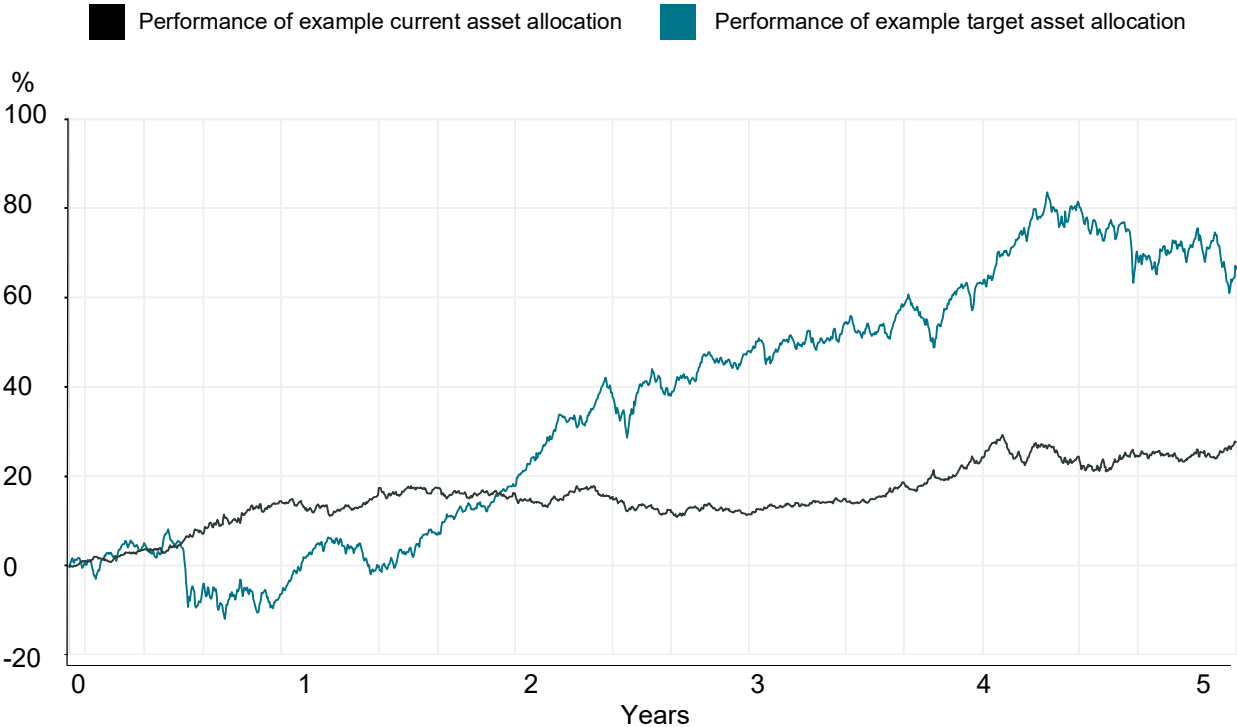
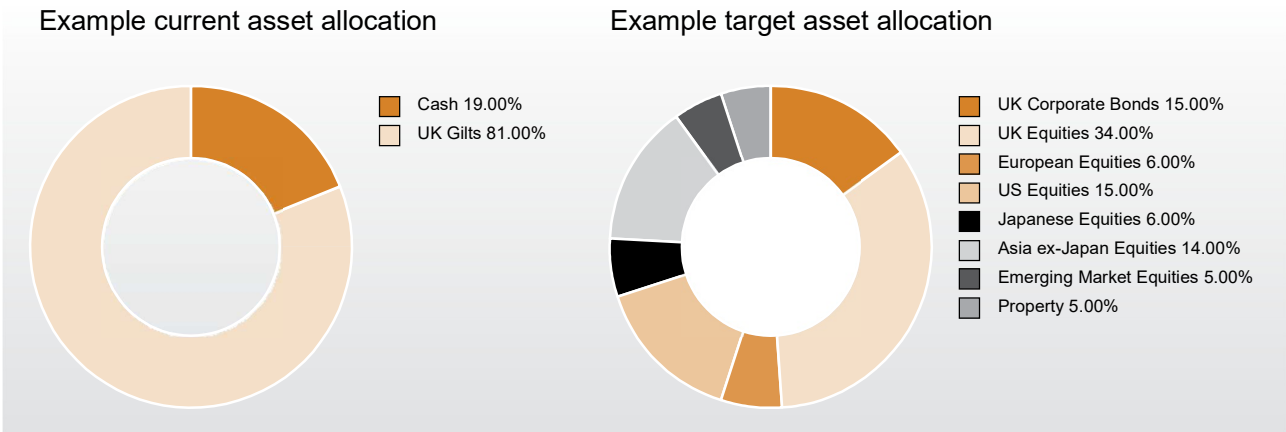
Seeing clearly in an ever-changing investment environment can be challenging. It may well be that you already have some financial plans in place and it can be confusing to know whether or not you should stick with what you've got or update your investments when something new comes along.

We can analyse investments that you already have and show you whether or not your current investments are on course to meet your goals.

We can also examine how aligned they are with the attitude towards investment risk that you have identified as being appropriate for your circumstances.

Getting a clear picture of your portfolio

Our simple yet powerful tools will be able to show you the make-up of your overall current investment portfolio, analysing the underlying holdings of individual funds to provide a full picture.



Diversify

Just because something is a good idea today doesn't mean it will be tomorrow. Investing in just one idea can therefore potentially lead to big problems.

We aim to build a wide ranging investment solution for our clients, investing in a truly diversified portfolio – a broad selection of assets which meet your own attitude to risk and stated investment goals.

In other words, we won't put all your eggs in one basket.

The benefits of diversification

The chart below shows that when it comes to picking asset classes (the different types of investments you could put your money into) it is almost impossible to predict a winner. You can see how no individual asset class consistently outperforms the others.

This reveals the fluctuating fortunes of the major asset classes across a decade and demonstrates that a diversified portfolio – in other words, one that spreads the eggs across many baskets – is appropriate, and we will build a diversified portfolio that is designed to meet your investment goals whilst working within your risk profile.

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	10 yr return – annualised
Japanese equities 13.9%	Broad commodities 39.1%	Emerging Markets 24.7%	Intermediate US Treasuries 6.5%	UK equities FTSE 250 28.5%	Gold 20.1%	Broad commodities 35.6%	Broad commodities 30.7%	US equities S&P 500 19.1%	Gold 28.3%	US equities S&P 500 15.2%
UK equities FTSE 250 10.8%	US equities S&P 500 34%	UK equities FTSE 250 17.4%	Gold 4.1%	US equities S&P 500 27.1%	US equities S&P 500 14.2%	US equities S&P 500 30%	Gold 11.7%	Global equities 15.7%	US equities S&P 500 26.5%	Global equities 11.5%
Intermediate US Treasuries 6.7%	Emerging Markets 33.7%	Global equities 12.9%	Money market 0.7%	Global equities 22.5%	Long Gilts 13.7%	Property (REITs) 27.8%	UK equities FTSE 100 4.6%	Japanese equities 13.6%	Global equities 19.1%	Gold 10.2%
US equities S&P 500 5.8%	Gold 31.1%	Japanese equities 12.7%	US equities S&P 500 0.6%	Property (REITs) 18.2%	Emerging Markets 13.5%	Global equities 20.2%	Money market 1.5%	UK equities FTSE 250 7.8%	Japanese equities 9.8%	Japanese equities 8.4%
Property (REITs) 4.2%	Global equities 29.9%	UK equities FTSE 100 11.9%	Intermediate Gilts 0.4%	UK equities FTSE 100 17.1%	Japanese equities 12.7%	UK equities FTSE 100 18.3%	Intermediate US Treasuries -4.5%	UK equities FTSE 100 7.7%	UK equities FTSE 100 9.6%	Broad commodities 6.2%
Global equities 1.9%	Property (REITs) 25.4%	US equities S&P 500 10.5%	Long Gilts 0.1%	Emerging Markets 15.6%	Global equities 11.9%	UK equities FTSE 250 16.7%	Japanese equities -6.7%	Gold 7.1%	Emerging Markets 8.8%	UK equities FTSE 100 6.1%
Intermediate Gilts 0.4%	Japanese equities 23.8%	Long Gilts 3.4%	Property (REITs) 0%	Gold 14.9%	Global bonds Inflation-linked 8.8%	Global bonds Inflation-linked 5%	Global equities -8.3%	Money market 4.8%	UK equities FTSE 250 7.9%	Emerging Markets 5.7%
Money market 0.3%	Intermediate US Treasuries 21.6%	Global bonds Inflation-linked 2.3%	Global bonds Inflation-linked -1.7%	Japanese equities 14.2%	Intermediate Gilts 8.2%	Japanese equities 2%	US equities S&P 500 -8.5%	Property (REITs) 4%	Broad commodities 7%	UK equities FTSE 250 5%
Long Gilts 0%	UK equities FTSE 100 19.2%	Intermediate Gilts 1.7%	Global equities -4.4%	Long Gilts 11.5%	Intermediate US Treasuries 6.4%	Money market 0.1%	Emerging Markets -9.2%	Intermediate Gilts 3.7%	Money market 5.5%	Property (REITs) 4.6%
Global bonds Inflation-linked -0.7%	Long Gilts 18.7%	Gold 1.6%	Broad commodities -6.1%	Intermediate Gilts 6.8%	Money market 0.3%	Intermediate US Treasuries -2.3%	Property (REITs) -16%	Global bonds Inflation-linked 3.4%	Property (REITs) 2.7%	Intermediate US Treasuries 2.9%
UK equities FTSE 100 -1.6%	Intermediate Gilts 10%	Property (REITs) 0.5%	Japanese equities -8.1%	Global bonds Inflation-linked 6.7%	Broad commodities -1.9%	Gold -2.9%	UK equities FTSE 250 -17.6%	Emerging Markets 3.4%	Intermediate US Treasuries 1%	Money market 1.5%
Gold -7.2%	Global bonds Inflation-linked 9.8%	Money market 0.4%	UK equities FTSE 100 -8.8%	Broad commodities 5.6%	UK equities FTSE 250 -4.8%	Emerging Markets -3.1%	Global bonds Inflation-linked -18.3%	Long Gilts 1.4%	Global bonds Inflation-linked -0.8%	Global bonds Inflation-linked 1.2%
Emerging Markets -11.3%	UK equities FTSE 250 6.3%	Broad commodities -2.5%	Emerging Markets -9.5%	Intermediate US Treasuries 5.1%	UK equities FTSE 100 -11.5%	Intermediate Gilts -5.2%	Intermediate Gilts -23.9%	Intermediate US Treasuries -1.9%	Intermediate Gilts -3.3%	Intermediate Gilts -0.6%
Broad commodities -21.1%	Money market 0.6%	Intermediate US Treasuries -6.7%	UK equities FTSE 250 -13.6%	Money market 0.8%	Property (REITs) -12%	Long Gilts -7.4%	Long Gilts -40.2%	Broad commodities -7.3%	Long Gilts -10.7%	Long Gilts -2.5%

Sub-asset classes ranked by performance. ETF nominal annual returns in GBP including dividends. Source: Monevator (www.monevator.com). Past performance is not a guarantee of future returns. The value of your investment is not guaranteed and on encashment you may not get back the full amount invested.

Choosing the right portfolio

When it comes to investing, nobody wants any nasty surprises. You can have the best plans in the world, but if you choose the wrong funds to invest in then you could see those plans disappear in front of your eyes. You need to know that your investments are aligned to your goals.

We will remove, by a process of elimination, any funds or products that are not suited to you. We don't try to find funds to meet your goals and just accept the best fit available.

We work with leading fund managers to create bespoke fund solutions that match exactly the risk parameters you are willing to accept.

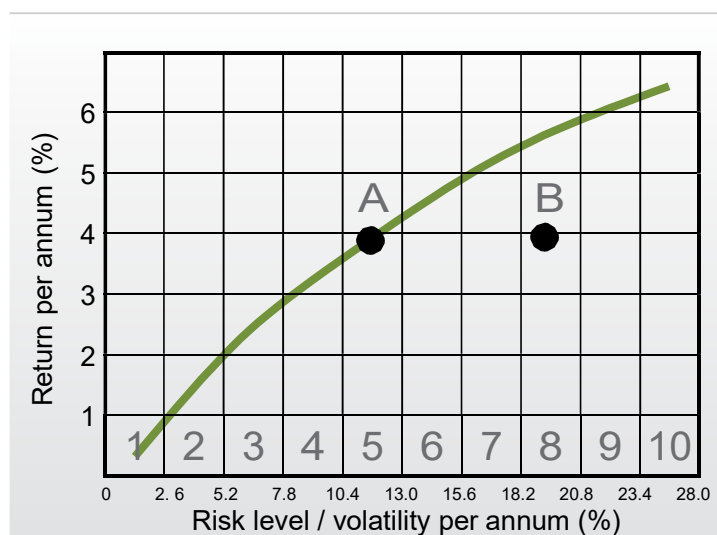
You will always know the possible implications of your fund selection and we will make it clear how these funds can help you achieve your financial goals.

The efficient frontier

By selecting funds that do what they say on the tin in order to match the correct asset allocation for your investment goals and risk profile, we can position you at the “efficient frontier” – the optimum point for maximising gains and minimising risks, given the appetite for investment risk that we have identified with you.

You can see on the chart below that portfolio A could achieve the same potential returns as portfolio B, but for less risk.

We will design an investment solution that positions your portfolio on the efficient frontier, at the right point for **you**.



A choice of investment style

There are people who believe that markets are efficient, that “demand and price” will balance themselves to a natural equilibrium and therefore that it is not easy to beat the market average (known as taking a “passive” approach).

There are others that believe that, with extra knowledge and research, market movements can be maximised for a better return (an “active” approach).

As we do not have a way to see into the future, we cannot guarantee which approach is the best, although we, at Ribble Wealth Management Limited, believe that an “active” approach is more likely to produce greater returns over the longer term than a “passive” approach. However, we can offer you either approach, or a blend of both, to suit your own attitudes and feelings.

Taking a more active approach	Taking a more passive approach
<p>You may like the idea of an investment specialist working on your behalf to try to beat the market.</p> <p>You understand that there is no guarantee that they will beat the market.</p> <p>In order to get the chance of enhanced performance, you may have to pay your adviser more for this service.</p> <p>You recognise that for an active approach, investment fees may be higher than for investments that take a more “passive” approach.</p> <p>Should the specialist not beat the market at any one time, you may question the value of their work.</p>	<p>You may not believe that an investment specialist can beat the market.</p> <p>You understand that by definition, your investment will not be a top performing or upper quartile fund.</p> <p>You are unwilling to pay more for the chance to outperform markets and do not want the disappointment of possibly underperforming the market in a given period.</p> <p>You would rather invest at lower cost and be reliant on market forces driving performance.</p> <p>You may look back in the future and feel disappointed that your average return was not that of other funds.</p>

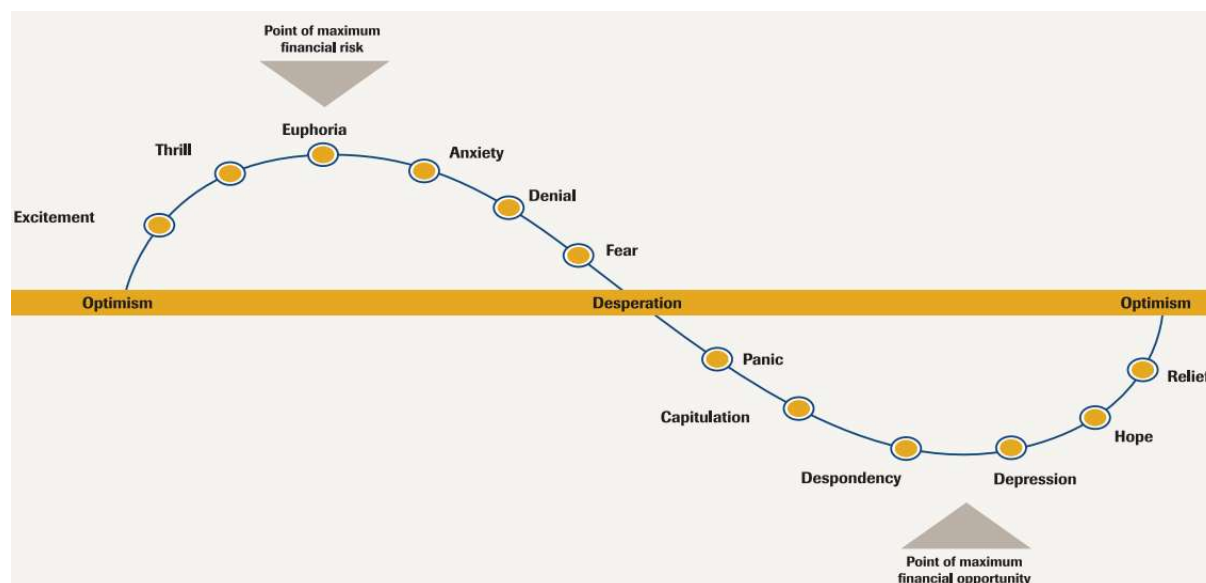
Keeping you on track

It is human nature to buy an investment that is “doing well” and not buy an investment that is “doing badly” although, of course, past performance really is no guide to future returns. Past performance can give an indication of how well a fund manager has performed historically, but there is no evidence that funds that outperform can continue to maintain that outperformance. Further, in-depth analysis demonstrates that funds that are not doing well tend not to improve.

This natural tendency may lead you to want to buy at the market peak when prices are high and sell during market lows at a loss.

This emotional response can be highly detrimental to your investment portfolio. This is why we put in place a clear plan to ensure your investments stay within your risk profile and tolerance to loss, focusing on your long-term goals.

Cycles of market emotions?



The diagram above shows the different emotions you might feel as prices rise and fall

We only work with leading fund managers who pass our rigorous selection criteria. An independent investment committee monitors the activity of our selected fund management partners to ensure that they are investing your money as they have said they will.

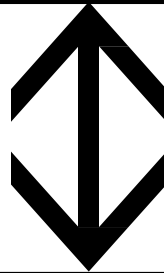
We can provide ongoing updates regarding the performance of your investments and can agree a schedule of regular reviews with you. This means that if your goals and priorities have changed we can assess if your financial plans need to change too.

Where you hold your plans

Over time, many of us accumulate different investment plans and products that hold and administer our monies (such as ISAs, pension plans, investment bonds and so on). However, the innovation of technology has evolved the way your monies can be held, namely through things called “platforms”. There are pros and cons for platforms and it is not always in every client’s interest to hold all or any of their monies on a platform, although a well-diversified portfolio is difficult to achieve without the utilisation of such a vehicle. We will review your existing provisions and make recommendations as to whether you should consider holding your assets on a platform.

Clients who may benefit from a platform

- ∞ often do not like receiving lots of paperwork and statements;
- ∞ enjoy the benefit of having access to view their investments online, when they want to;
- ∞ often tend to have more than one financial product or tax wrapper;
- ∞ want their financial planner to advise them on all their different investments;
- ∞ like the idea of one single place to access in order to see many different plans.



Clients who may benefit from holding individual products

- ∞ are unconcerned about receiving and dealing with lots of paperwork and statements;
- ∞ are not worried about having to log on to multiple different provider websites;
- ∞ may only need a single product and don’t expect to have any further investments;
- ∞ may only want to purchase a “one-off” product and not have an ongoing relationship with their financial planner;
- ∞ like the idea of having different products with different household names.

Tax wrappers

The government wants you to save and invest for your future, and so has allowed tax wrappers to help. A tax wrapper is a financial product, such as a pension, Individual Savings Account (ISA) or Investment Bond, within which your investments can be held, and which usually has certain tax benefits.

For instance:

- ∞ some give you back tax that you have already paid on money when you invest, e.g. pensions;
- ∞ some allow you to not pay tax on the money you make, e.g. ISAs;
- ∞ others allow you to delay paying tax till a later date, when it may be more beneficial for you, e.g. Onshore and Offshore Investment Bonds.

It can also, on occasion, be in your best interests to invest directly into a fund.

The government tends to review these tax wrappers every year in its Budget announcements, which can affect Income, Capital Gains and Inheritance Tax, as well as State Benefits, which means it is impossible to say one is better than another without individual – and ongoing – advice.



We will recommend the most effective way to hold your investments, often with a combination of these wrappers. Sometimes we simply recommend you move money from one wrapper to another to take the maximum advantage of the current incentives and allowances – often at nil cost.

The choice of tax wrapper affects what tax you pay on the investment funds inside and should not affect how well the actual investment does.

We will assist you to ensure that:

- ∞ you do not lose out on any valuable allowances that, once they are gone, are gone forever e.g. ISAs;
- ∞ you do not miss out on any monies or reliefs owed to you;
- ∞ your current plans are still in the correct shelter and ownership name, so that you – legally and ethically – do not pay too much tax when you want to spend that money.

We, at Ribble Wealth Management Limited, believe in maximising your returns and will endeavour, where possible, to ensure that a “blanket approach” to asset allocation is not applied across all investment products but is strategically effected to maximise tax efficiency.

Consumer duty

The FCA operates a number of Principles of Businesses, which it expects Firms to abide by when carrying out regulated activities. Up until 31 July 2023, there were eleven principles. The addition of the twelfth, the Consumer Duty, represents one of the most important changes in financial services regulation over recent years.

The duty sets higher and clearer standards of consumer protection across financial services and requires firms to take active steps to put their customers needs first.

The Duty involves three high-level cross-cutting rules, which are that a Firm must:

1. act in good faith towards retail customers;
2. avoid foreseeable harm to retail customers; and
3. enable and support retail customers to pursue their financial objectives.

At Ribble Wealth Management Limited, we are fully committed to upholding the Consumer Duty by placing our clients' best interests at the heart of everything we do. This means delivering clear, fair, and transparent advice, ensuring our services meet our clients' needs and expectations, and supporting them in achieving their long-term financial goals through tailored, high-quality financial planning.

Summary

Investing can, at times, seem to be a daunting and complicated task, shrouded in uncertainty. Our investment process has been designed by leading experts to be robust, yet clear, enabling us to build a solution that meets your expectations. We, at Ribble Wealth Management Limited, will work with you to find out what risk you are willing to take and then build an investment solution within these boundaries, using leading fund managers to meet your goals. We will then make sure that your investments stay on track to achieve your aims and adapt your plans as necessary should your goals and aspirations change over time.

Investing your money is one of the most important decisions you will make.

It is best to do it with our expert guidance.



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