



INVESTMENT QUORUM

UNIQUE, BOUTIQUE WEALTH MANAGEMENT

Investment Quorum
Guildhall House, 85 Gresham Street
London
EC2V 7NQ

Tel: 0207 337 1390

Web: www.investmentquorum.com

Plan for tomorrow, live for today

Helping you achieve your financial goals

Whatever stage of life you've reached and whatever the status of your current financial situation, you could see a vast improvement in the future by setting financial goals. Most people are intrinsically motivated by goals and will work hard to achieve them.

The key steps toward financial security are to translate them into your own terms. What, exactly, are your personal financial goals? If you have trouble sorting them out, try classifying them as either wants or needs.

Go a step further and add short-term, medium-term and long-term to the descriptions. Now you have some useful labels you can apply to your priorities. If you're not sure where to start or what your goals should be, we'll help you provide a framework to consider them.

IMPORTANCE OF SETTING FINANCIAL GOALS

Goals are a core element of any financial planning, since you can't create a strategy without knowing what you are working towards. Your goals are the things that will motivate you to manage your finances better and you should use them to frame every financial decision that you make in everyday life.

To build an effective strategy based on your goals, they need to be specific, achievable and personal to you. They're also there to measure your progress and celebrate success.

PROCESS OF SETTING PERSONAL FINANCIAL GOALS

Before determining how you want your finances to look in the future, you need to understand how your finances look today. Take note of any assets you currently have: your savings, your pension, your investments, your home and any other assets of value, such as your car or your business.

Review your debts, for example, your mortgage, your student loan, and any overdrafts, bank loans and credit card debts. Compare your income and your outgoings.

A few questions to ask yourself:

- Q:** Do I feel as if I'm currently working towards achieving my goals?
- Q:** What changes do I need to make today for my goals to become a reality in future?

Q: How do I visualise my life in five, ten or twenty years from now?

Q: What would I do if my job and income suddenly disappeared?

Q: What are my most pressing financial concerns I need to address?

Q: What financial matters keep me awake at night?

ATTACH A MEANING TO YOUR GOALS

To improve your chances of success, be realistic, use actual figures and set time limits. Then ask yourself why that goal is important to you. Attaching a meaning to your goals makes them more powerful.

SETTING EFFECTIVE FINANCIAL GOALS

It's sensible to create at least one goal in each of the following categories:

Debts

If you have outstanding debts and are paying high rates of interest, your top priority should be paying them off, as this will usually make a bigger difference to your financial situation than saving the equivalent amount of cash and receiving a lower rate of interest. Prioritise high-interest debts, such as credit cards.

Savings

'Pay yourself first' by automating your savings. Assign an amount you'd like to add to your savings within the next year and write down a record of what you're saving for, whether that's a deposit to buy a house or any other goal personal to you.

Investments

From the old adage of saving for a rainy day to planning a comfortable retirement, most of us have investment goals in our life. Whatever your personal investment goals may be, it is important to consider the time horizon at the outset, as this will impact the type of investments you should consider. The more

time you have, or the more flexible the timing, the more investment risk you can afford to take with your money.

PENSION

Your retirement may still seem a long way off, but even so, now is the time to get serious about your financial plan and the best way to start is to focus on your most important priorities means you'll be better able to target spending and saving in accordance with what you want to achieve, both now and in the future. The end goal is to make you financially secure and independent in retirement, which should provide a major incentive to be proactive. ■

TIME TO CREATE THE LIFE YOU WANT?

Whether you need help in setting your financial goals, or you've established them but don't know what you need to do to achieve them, professional advice will help. If you're unsure about the best approach for you, talk to us to discuss your options. Please contact us for more information.

INFORMATION IS BASED ON OUR CURRENT UNDERSTANDING OF TAXATION LEGISLATION AND REGULATIONS. ANY LEVELS AND BASES OF, AND RELIEFS FROM, TAXATION ARE SUBJECT TO CHANGE.

THE VALUE OF INVESTMENTS AND INCOME FROM THEM MAY GO DOWN. YOU MAY NOT GET BACK THE ORIGINAL AMOUNT INVESTED.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE PERFORMANCE.