

# BROADWAY BULLETIN

## WELCOME TO THE WINTER NEWSLETTER

Well, looking back at my intro for last year's winter bulletin, it feels very much like déjà vu! In December 2020, we were reeling from the effects of a full lockdown but optimistic for what 2021 could bring in light of hope and vaccines. At this point in time, I have everything crossed that we can tackle 2022 in the same way.

We are so aware that for many of you, this continued period of unease brings worry, anxiety and anger that you can't enjoy doing the things you love. Our recent website article showed that not travelling enough was a huge regret for a third of those interviewed and we share your frustration with the ongoing restrictions. Whilst we can't change these for you, we can help you to understand if you can afford to consider alternatives such as family staycations or luxury riverboat trips. Having spent some of my summer travelling to Cornwall in a camper van, it's certainly an adventure!

In this edition, you'll see we've included an article on why selecting a robust investment is so important. As some of you are aware, we have been doing a lot of work with Albion Strategic Consulting this year and we hope this article written by them helps to explain why we feel this is so important.

Despite the challenging times of the last 12 months, we've been thrilled to be nominated for a number of awards this year. Whilst we haven't been lucky on every occasion, we were delighted to win at the International Adviser Best Practice Awards last week which noted our excellence in service, something we are particularly passionate about. Thank you to everyone that has provided feedback and testimonials – we are incredibly grateful for all your support.

Finally, it just leaves me to wish you all a very Merry Christmas and Happy New Year.



**Keri Carter, CFP™**  
CERTIFIED FINANCIAL PLANNER™ Practitioner  
Managing Director

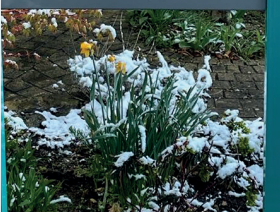


## ACHIEVEMENTS IN 2021

As a firm we think it's important to be recognised by way of awards and accolades. To be recognised by our peers and professional bodies reaffirms that we are continuing to strive for excellence and that we continue to develop and evolve our business practices. We're delighted to update you on some of our achievements this year:

- Moneyfacts Tax and Estate Planner of the Year: Commended
- Women in Financial Advice – Woman of the Year – Vulnerable Client Care: Nominated
- Professional Adviser Awards Best Vulnerable Client Care: Finalist
- Chipping Campden Business Awards: Best Practice: Finalist
- International Adviser Best Practice Awards – Excellence in Client Care: Winner!!!

We were delighted to be announced as winners of the Excellence in Client Care award. The judges said that BFP has a clear client focus with insightful communication. The customer centric approach is imbedded throughout the business and this is reflected in the excellent MPS data. Thank you to those of you who supported us in our applications. Wish us luck for 2022!



## GOOD OUTCOMES: THE RESULT OF A SENSIBLE PROCESS

When building your investment portfolio, we employ a risk - rather than performance - focused approach. Taking on sensible risks should be rewarded appropriately. We focus on the things we can control: portfolio structure e.g. country and sector exposures, stock concentrations; product costs; and avoiding exposure to specific risks such as counterparty or leverage. We accept that there are things we cannot control such as short-term portfolio performance as a result of movements in equity markets due to the never-ending release of new information. Many investors will try, and generally fail, to control this either by themselves or by selecting fund managers they believe can do so. For most, this outcome-focused approach to investing is not where success lies.

An important part of the process when building your portfolios is searching, or 'screening', for potentially suitable products to capture market returns. We review a universe of tens of thousands of possibly suitable products to get down to one solution to capture specific market exposures in the portfolio. This is no mean feat and requires a comprehensive and rigorous process.

Taking a major part of your portfolio as an example - developed equities - we look to find investments that can capture the returns of these markets and do so effectively through time. Our screening process considers a wide array of datapoints, none of which measure performance, to filter down to the solution we use in your portfolio. To focus on fund longevity (i.e. mitigating the risk of the fund closing) we look for funds of a sufficient size and age. To ensure the solution holds an exposure to the developed equity market we look through the fund to see where the underlying stocks are listed and verify this matches the structure of the market we are looking to capture. We screen out investments with higher charges, those with insufficient diversification and those lacking in transparency.

The result of this risk-focused, rather than outcome-focused, approach is that we are left with a high-quality short list of 'on watch' investments. For the final step in the selection process, we consider the fund manager's philosophy and approach, as well as any data that set the investment apart on this competitive watch list.

When reviewing the competitors that make up the watch list, we see that their past performance is in fact strong relative to other participants in the industry. Despite not screening on performance, and instead focusing on process, we end up with a list of investments that have performed strongly because of their sound structure, placing them predominantly in the top quartile of all managers in the same category, particularly over the longer term.

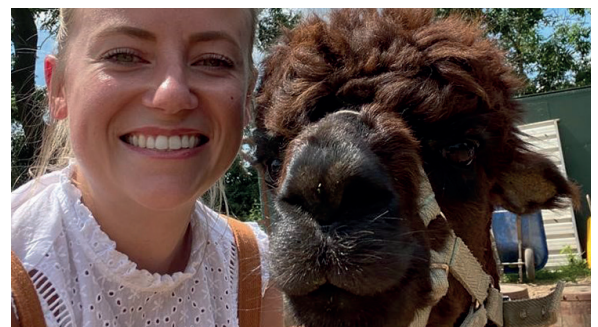
What's more, this entire process is repeated at least annually. You can have every confidence that your portfolio comprises high quality investment products as a result of a screening process which is not outcome-focused, but risk-focused. This gives you every opportunity to achieve strong outcomes going forward.

Albion Strategic Consulting.



## TEAM BUILDING

With the events of the last two years life at BFP has become somewhat "different". Learning to work remotely was certainly a challenge but a useful experience. Once we were all together in the office, we thought it would be an ideal time to enjoy a "team building" activity. As the whole team have a great love of animals, we decided on an alpaca experience. On a very sunny day in July we headed off to meet some new friends. A great time was had by all and it was lovely to have some fun together. We did, however, have to stop Rebecca from bringing her alpaca home with us!!



## VULNERABILITY

Vulnerability is something that we talk about frequently on our social media platforms and in our client facing articles. From our perspective, “vulnerability” is “someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care”. It is certainly more common than you may think, and we can all be classed as “vulnerable” at some point in our lives. When you see the word, pictures of frail old people may spring to mind, but there are many other circumstances which can cause someone to be vulnerable:

- Health issues such as vision impairment
- Impact of a life event, such as a bereavement
- Capability – someone may be illiterate or not have English as their first language

The service we provide for our clients is always “made to measure” and never “off the rack”. The needs of each individual client are always at the forefront of what we do.

In 2020 the FCA published their Financial Lives survey. This showed that 46% of UK adults (24.1 million) had characteristics of vulnerability. Due to the Pandemic, by October 2020 this number had increased to 53%. People with vulnerable characteristics are more likely to make poor financial decisions and suffer poor

outcomes. Both advisers and providers have responsibilities to meet in this area and every firm should have a vulnerable client policy in place and be able to identify how vulnerable clients are identified and the actions taken to ensure that they receive fair treatment.

As well as this approach, BFP is also a member of the Financial Vulnerability Taskforce. The taskforce was established to work with charities and consumer groups with the aim of ensuring that customers are not only treated fairly but with empathy and sensitivity to their circumstances. Firms who have signed up to the taskforce follow the best practice recommendations for the financial services sector with a focus on improving the experience and outcomes of those classed as vulnerable.

In addition, we are proud to say that the whole BFP team hold the CISI Professional Assessment for Vulnerable Customers, one of very few firms to take this company-wide approach. We feel very strongly that everyone should have access to financial advice which is tailored to their circumstances and that vulnerable people should not be excluded or disadvantaged.

If you have any queries about how we work with vulnerable clients, please do not hesitate to contact us.

## CHILDREN AND BANK ACCOUNTS

Teaching your children to manage their money is not always easy. We want them to have their independence but we do need to “keep an eye on things” for a time. Many children will have some sort of mobile device and this will bring with it the need to “attach” a debit card to it for payments such as apps and subscriptions. Unfortunately, this leaves them open to being targeted by apps who hide things in the small print, such as subscription fees! Once the money has gone, that is it and it is a costly lesson to be learned.

However, you can teach your child about money and give them their independence but, at the same time, monitor things for their continued safety.

There are several companies who offer a pre-paid debit card and app which allows children to have their own card and use it independently, but it also allows the parents to monitor what is happening. Limits can be set and notifications will be sent to the parents so any issues can be dealt with straight away. Grandparents can also contribute to the account and it is a great way to manage pocket money.

It is a clever way to teach children to be smart with money, create good savings habits, take responsibility and understand when it's gone, it's gone.



## EVENTS FOR 2022

Life remains uncertain at the moment and it's clear that we don't know how life will be going into 2022. However, here at BFP HQ, we remain positive and continue to plan our events for next year, keeping our fingers crossed that they can go ahead! We plan to hold our wreath making in the spring – with a little bit of a twist on the usual event. Following the success of our summer party in July (rules permitting) we plan to celebrate again with you as we hopefully (!) celebrate a return to normal. As the year goes on, we will keep you updated of our events and look forward to seeing you all.



## OFFICE

Many of you have already visited our new office on the Farncombe Estate (I call it new because due to the pandemic we haven't been able to use it as much as we would have done) and we look forward to welcoming those of you who are yet to visit us. We continue to apply Covid precautions and our meeting room is well ventilated with plenty of space for social distancing. If you are uneasy at the thought of a face to face meeting, we are still able to offer meetings via Zoom or over the telephone. If you have any queries about the arrangements we have in place do not hesitate to contact us.



## WEBSITE

Keep an eye on our website in the New Year. We will be adding to our resource page which is full of useful documents, guides and videos.

In the summer we engaged a local firm, Pic PR, to film some new promotional material for us. Why not visit our website to see our new video not only tells you more about us but, shows some beautiful aerial shots of the estate.



## CHRISTMAS OPENING HOURS

24th December	OPEN Til Midday
27th December	CLOSED
28th December	CLOSED
29th December	CLOSED
30th December	CLOSED
31st December	CLOSED
3rd January	CLOSED
4th January	OPEN

## SOCIAL MEDIA

Just a reminder that we are regularly posting tips and news articles on Facebook and Twitter. Please like or follow us to keep up to date with our news and views.

Facebook @broadwayfp  
Instagram @broadwayfinancialplanning  
Linked In @broadway-financial-planning-ltd



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