

Integrate all aspects  
of your business  
and personal  
financial lives

## Comprehensive Financial Planning

Our comprehensive financial planning helps clients integrate all aspects of their business and personal financial lives. The development of a trusted relationship between a client and an advisor takes a considerable investment from both parties and so it makes sense for clients to take full advantage of this investment by working with us on both the business, farming and personal financial dimensions of their lives.

Passive investors benefit from our comprehensive financial planning just as much as business owners and farmers because it is tailored to the needs of private individuals and trusts. Nowadays, trustees are obliged to exercise high standards of due diligence and skill when investing trust assets and this often necessitates an investment process based on independent investment advice and professional portfolio management and administration.

Unfortunately, it has proven difficult for investors to obtain comprehensive, and trustworthy financial advice because:

- Individual investors often face the onerous task of trying to understand and integrate all of the elements of their financial affairs themselves
- Financial institutions have become product marketers rather than professional advisers and promote the products they have whether or not these best meet the specific needs of the investor in a cost effective way
- The integrity of the advice is often tainted by inherent conflict of interests. These arise from how financial institutions, share brokers, insurance brokers and many financial planners are paid for their efforts. Many of their commissions and fees are not fully disclosed to investors and often create a financial incentive to advise clients in a way that is frequently at odds with the client's best interests. For example, many of the commission schemes prompt costly investment portfolio turnover and investments in expensive funds, both of which reduce investor returns

Our comprehensive advice integrates all aspects of clients' personal and business financial lives including:

- Personal budgeting, savings planning and debt management
- Dividend and reinvestment policy. Business owners and farmers need a formal dividend policy and a disciplined basis for reinvesting and protecting the cash flow from their business so they have long term financial security that is independent of the business or farm itself.
- Risk coaching to accurately assess investors' willingness to accept risk (as they perceive it) and to help them express this risk tolerance in relation to the alternative investment strategies available to them
- Portfolio Investment strategy and asset allocation in terms of property, shares, fixed interest and alternative investments such as infrastructure, private equity, commodities and inflation-protected bonds

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- Asset protection and estate planning. We can be retained as a professional trustee of a client's family trust to assist with on-going trust management
- Retirement planning in terms of wealth accumulation strategies prior to retirement and sustainable investment and withdrawal strategies after retirement
- Education planning
- Risk management and insurance services provided in conjunction with expert associates in this area

Our comprehensive financial planning advice is implemented in conjunction with your accountant and solicitor so that there is an effective and seamless three-way partnership working in your interests.

## Private Wealth Management Solutions

The ultimate investment solution

The implementation of an investment strategy and the on-going portfolio management, monitoring and administration can be onerous and time consuming. In our volatile world, successful investment performance cannot be achieved by an "invest and forget approach".

Portfolios must be closely monitored and managed to ensure they remain aligned with the investment strategy relative to the constantly changing circumstances shaping investment markets. This is a complex task that is frustrating for individual investors and trustees.

Most trustees and individual investors are simply too busy or do not have efficient systems to attend to the daily running of their portfolio. Equally, they would also like to:

- Simplify their affairs for estate planning purposes
- Reduce their costs of administering local and offshore investments
- Stop handling the never-ending paperwork and record keeping required for accounting and tax reporting purposes
- Maintain maximum security and protection for their investment holdings
- Avoid exposure to estate and inheritance tax regimes on their overseas investments (particularly USA registered investments)
- Easily handle overseas currency transactions

We provide a full private wealth management solution to private investors and trustees that will achieve all these goals through a custodial wrap account. This service provides:

- A disciplined approach to your strategy implementation on an on-going basis and in accordance with the your investment plan and client agreement with iQ<sup>2</sup> Private Wealth
- Access to low cost and exclusive institutional investment funds not available to retail investors including Dimensional Funds, the world's most respected asset class fund

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provider

- Integral cash management accounts with wholesale interest rates for all major currencies (NZD, AUD, USD & GBP)
- Safe custody of the local and international investments themselves through Aegis, an independent custodial company with ~\$5B in funds
- Efficient, state-of-the-art portfolio administration systems to handle the day-to-day affairs and provide on-going portfolio reporting for management and taxation purposes
- An on-line client portal via our website so clients can review the status of their portfolio and run various reports whenever they want
- Low cost brokerage rates negotiated for the exclusive benefit of our clients some 75% less than retail rates
- Integrated reporting on all investments on a quarterly basis. These reviews will vary depending on the client's needs but typically cover asset allocation, portfolio performance against benchmarks, assessment of individual holdings and detail any recommendations for change

## Business Advice

Improve  
sales, profitability &  
free cash flow

We help business owners and managers create financial opportunities, avoid financial difficulties and maximise shareholder value by advising clients on how to improve:

- Top-line sales growth
- Bottom line profitability
- Free cash flow available for reinvestment

Our advice is wide ranging in its nature and specific to the situation facing each business.

However, there are a few critical aspects that drive business value in any situation and this is why our efforts tend to be concentrated on the:

- Overall strategic profile and driving force of the business, particularly its competitive strategy and balanced scorecard of objectives/outcomes (financial, customer, internal process and organisational learning)
- Alignment of the leadership style, organisation structure, behaviours and calibre of staff (with the business strategy) with a special focus on the recruitment and retention of the later
- Alignment of the core competencies and the improvement of the associated internal processes (with the business strategy) using six sigma methodologies. This often requires a special focus on sales and marketing and, supply chain management competencies
- Financial self-sufficiency and strategy including profit/cash flow planning, cost reductions, capital efficiency and the overall capital structure of the business (especially, optimisation of debt levels)

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Buying or selling  
your business

We help owners buy and sell their businesses. This is an emotionally difficult negotiation process yet the outcome is a fundamental factor determining the level of shareholder value ultimately created. For many owners, the creation of a saleable business and the maximisation of this sale value is the end-goal. The achievement of this goal requires a proper plan to prepare the business for sale by ensuring it is realising its full potential.