

The Hidden Cost of your Pension

Most of us are paying through the nose for our pensions and investments. Hidden charges are eating away our returns. The charges on pensions are like an iceberg: the majority are below the waterline! Between 1987 and 1998 the average market rate of return for Life insurance funds was 8.45%. However, the average return to the investor was just 4.44%!

How can this be?

The cost of trade is a so called 'iceberg' charge, incurred every time shares are bought and sold. These include stockbroker fees, tax, etc. The more a fund

manager trades (with your money), the more you pay in costs. These fund managers are trying to beat 'the market' but statistics show that few of them succeed once you take away their costs. In 2006, fund managers added an average of 1.43% in trading charges to all other management fees. One fund manager traded so often, it resulted in an additional 5%! These numbers may sound small but, over time, they can dramatically reduce your pension. Most importantly, they are unnecessary and avoidable.

What can you do?

1. Don't stick your head in the sand: the problem doesn't just go away.
2. Ask a financial adviser with the necessary software to analyse the charges of your existing pensions and then compare them against modern stakeholders and SIPP's (Self Invested Personal Pensions). You could substantially reduce the visible charges.
3. When did you last review your pension funds? Are they appropriate to your current requirements, balanced, and likely to give you what you want in retirement?
4. Consider reducing the 'iceberg charges' by using passive or tracker funds. It is now possible to track most world markets... not just the FTSE 100.

It is a fact that the majority of the return is linked to where the money is invested... not who is managing it!

It is just common sense to periodically review the returns and charges on all of your pensions and investments. Find the time... whilst you can still do something about it.

Simon Ainley is a Chartered Financial Planner, and also qualified in Investment Portfolio management.

For further information please visit www.hhw-uk.com or call 020 8943 9229 Holland Hahn & Wills are authorised and regulated by The Financial Services Authority.

The World's Local Bank Invests in Kingston

Currently the focus of one of its largest investment programmes in the UK, HSBC demonstrated its confidence in the area's growth and prosperity with a hefty £4.5 million, 18 month programme, including refurbishment of the bank's offices at Hampton Wick following acquisition of the entire site. With a spend exceeding £1.5 million, the revamped building close to Kingston Bridge opened in September and will be the Headquarters of the regional commercial team headed by Carol Bagnald, Regional Commercial Director for West London.



Carol Bagnald

With overall responsibility for HSBC's commercial business in the West London region, from Kingston to Watford, including the Heathrow corridor, Carol was appointed in September 2007 following a 30 year career at HSBC and a number of senior positions, including Area Director for South East London.

Prominent within the business community, including Chair of the Top 100 Corporate Club, Carol's presence signifies the area's importance within HSBC and she will be accompanied at Hampton Wick by one of HSBC's largest commercial teams, led by Richard Gimblett, who is also on the Kingston Chamber Board, providing significant development of the bank's commercial presence within the community covering all aspects of the SME experience, expert financial solutions and the very best advice.

Additional investment of more than £3 million is underway in the town centre involving two large branches, including a premier site.

Pub Course from Kingston College

Following on from the huge success of the "Managing to Serve" project in which Kingston College engaged with and met the training needs of over 100 local hospitality outlets, the College, through listening to the needs of local businesses, is now developing programmes designed specifically to meet the needs of the industry.

The first programme being offered this autumn is the National Certificate in Personal Licence Holders, a course tailored to staff working in restaurants, bars and hotels. The course is being run through the BIIAB, the leading awarding body for the licensed retail sector.

The National Certificate for Personal Licence Holders (NCPLH) (Level 2) is a mandatory qualification required for anyone applying for a Personal Licence for alcohol sales. Kingston College aims to assist local businesses whose staff are required to take the qualification, which includes people working in bars, restaurants, hotels, shops and off-licences.

On successful completion of the day candidates will receive a BIIAB certificate and be able to demonstrate an understanding of the Licensing Act 2003 in relation to their position as a Personal Licence Holder and therefore will then be able to apply to the Local Authority for their Personal Licence.

To book call 020 8268 2861 or email cbe@kingston-college.ac.uk

