

Case Study

Sports Professional

Having worked with many sports professionals over several years, we are intimately familiar with the wealth management challenges that come with a career in the sports industry.

Most of your wealth will be accumulated over a relatively short period of time. You are likely to find yourself involved in other business pursuits and investments, which could complicate your tax position.

After your career has finished you will want to know that yourself and your family are financially secure, whilst possibly planning for a second career in a related or completely separate industry.

The adviser had been keen to invest Mr. Client's disposable income but there had been no consideration given to:-

- What financial position did he want to be in at the end of his sporting career?
- What would happen if he had to retire from professional sport early?
- Could any Income tax Savings be made?
- Was there a way to utilise his Capital Gains Tax allowance?
- How could he repay his mortgage in full before the end of his sporting career?

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Many of these factors were present when we were referred by another sports professional to Mr. Client, who had already established himself as a successful sportsman when we first met with him in 2006 and shortly after entered the International arena.

Mr. Client was unhappy with the advice he was currently receiving. One of the fundamental issues was the adviser was more interested in discussing Mr. Client's sporting achievements, rather than planning for his financial future. The first step was to review his current arrangements and investments. The immediate finding from this exercise was the discovery that no financial objectives had been set for Mr. Client. Whilst his investment portfolio continued to accumulate, there was no long-term goal being worked towards.





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Our immediate action was to talk to Mr. Client about his long-term goals and establish a financial plan which he could work towards.

Like many sports professionals, Mr. Client wanted to ensure that his mortgage was paid off before his career ended and so our plan took this element as one of its major points. He wished to maximise his wealth and to do this changes were made to his contracts to reduce income tax. A valuation for his Image Rights Company for the end of his sporting career was set and tax efficient investments were utilised.

However, as with all plans whether financial or sporting they need to be reviewed. Over several years, we continually revisited his financial goals and provided ongoing advice when he moved up the property ladder, his investment objectives changed, the Image Rights Company valuation had been reached and when he had children.

Mr. Client has since retired from professional sport with the safe knowledge that we reached the financial goals set on day one and amended those along the way. Now he has moved into his second career, his thoughts have turned to his life goals.

The savings and investments made during his sporting career have been reallocated to a new financial goal of "funding education for his children". All of this will be achieved whilst being mortgage-free, which was the initial aim of the financial plan when we first talked with our client all those years ago.

“ DBL have helped me to plan short and long term goals enabling me to start planning for my future after rugby. ”