

Money Management

The publication for the personal investment professional

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A matter of principal

By Milana Pokrajac

CHARLES Badenach – authorised representative of Shadforth Financial Services – has been named the 2011 *Money Management* Financial Planner of the Year. Based in Tasmania, he has spent more than 10 years with the group as a principal and private client adviser.

Badenach started his career in commercial law before deciding to become a financial planner in 2001. Although a legal background helped him provide better service to clients, it was his willingness to look outside the financial services industry for inspiration, which truly impressed the judges.

"I was impressed by Charles' openness to learn from other disciplines and apply those skills for the benefit of his clients," last year's *Money Management* Financial Planner of the Year Catherine Robson said.

Robson referred to Badenach's Diploma in

Life Coaching, which he said helped him deal with clients during the recent market volatility.

His willingness to mentor his younger colleagues from both within, and outside of, Shadforth's network has also impressed the judges.

Badenach is also very passionate about improving financial literacy in his community. He has developed a financial literacy program for the Migrant Resource Centre in Tasmania, and authored a self-help financial book which was donated to every school in the state.

Authorised representative of Professional Investment Services, Rob McGregor, scored the runner-up spot, while two-time winner George Flack and Fiducian's William Johns were also included in the final four.

Full report on page 15.



Winner Charles Badenach



Platforms shift from consolidation to upgrades

By Chris Kennedy

MAJOR platform providers across the industry are now moving away from a heavy period of platform consolidation to focus on developing and upgrading the remaining products, particularly from a technological perspective.

IOOF completed a major overhaul of its platforms earlier this year that resulted in eight offerings being reduced to three. IOOF general manager of distribution Renato Mota said work in the next six to 12 months will

revolve around upgrading the technology of platforms and systems.

There are still a couple of different technologies running across the three platforms, which will be something to work on in the longer term, he said.

The next wave of enhancements for IOOF's independent financial adviser-focused Pursuit platform will focus on front-end functionality and online portfolio management, and on developing online tools to help advisers with opt-in.

"We're trying to remove legacy products. We're trying to create an environment

where we continue to evolve existing products rather than building new products," Mota said.

"As soon as you release new products you're creating legacy issues for your advisers, which creates administration issues in the back office, which we're trying to avoid."

AMP director of sales Barry Wyatt, who was previously general manager of marketing and strategy at AXA, said the group's flagship North platform had this year completed an upgrade to move beyond its traditional guarantee product

to also include a full platform offering with a share trading service and term deposits from different banks, while increasing the managed funds available from roughly 100 to 200.

AXA's Summit and Generations platforms are still on sale and serve as a complement to North. Although they are unlikely to be consolidated further in the medium term, the group is looking to consolidate the technology behind them to run the same as North, Wyatt said.

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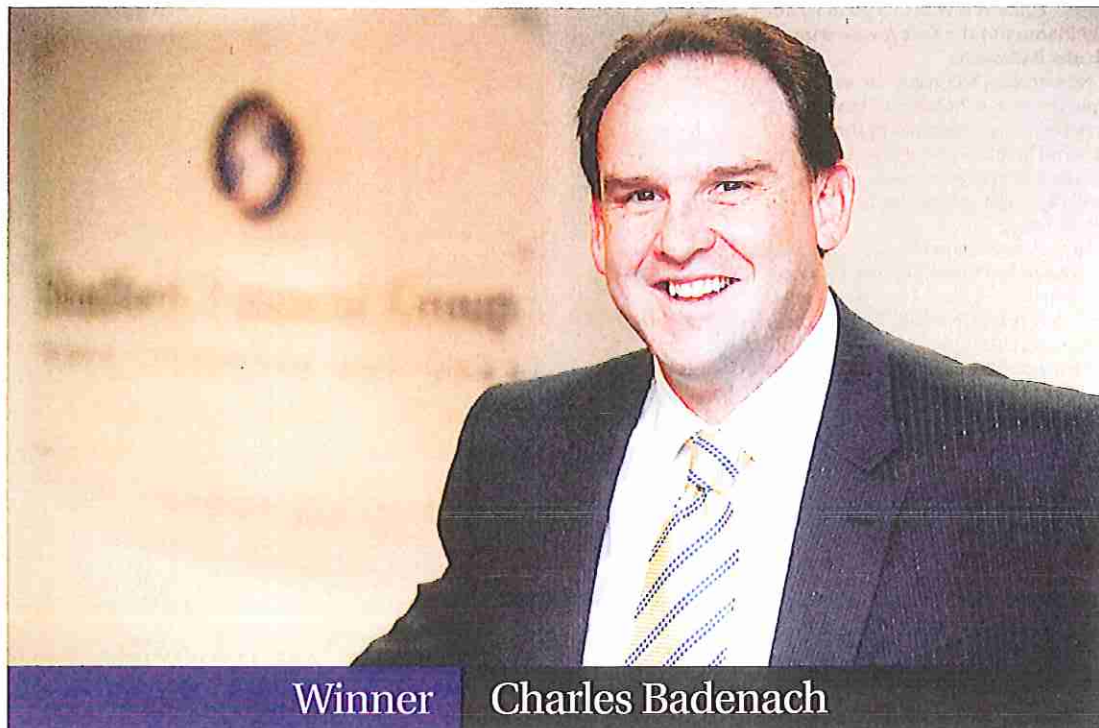
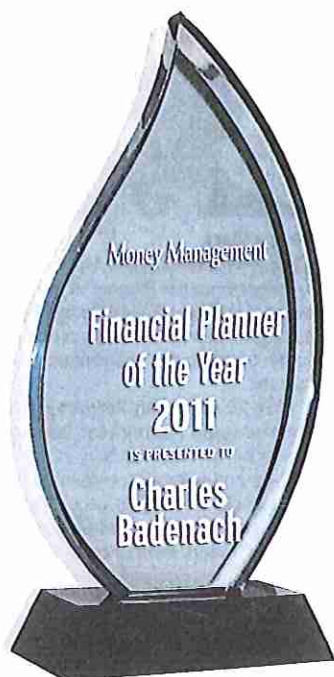
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A matter of principal

Commitment to financial literacy, strategic advice and client service has seen Charles Badenach crowned the 2011 *Money Management* Financial Planner of the Year, Milana Pokrajac reports.



Winner **Charles Badenach**

A FIRM advocate of financial literacy and strategic financial advice, Shadforth Financial Group's Charles Badenach has won this year's *Money Management* Financial Planner of the Year award.

According to the judging panel, Badenach excels at demonstrating clear value to clients and uses innovative methods in retaining existing and finding new business – skills which will be highly sought after in the new regulatory environment.

Badenach's commitment to the community and willingness to look outside of the financial services industry for inspiration in improving client service were admired by the judges and his colleagues alike.

Based in Tasmania, Badenach has worked for Shadforth Financial Group as principal and private client adviser since 2001, following a brief career in commercial law.

"Upon my return from overseas in 1996 I commenced work as a commercial solicitor with Murdoch Clarke in Hobart; both personally and professionally I was not enjoying working as a lawyer," Badenach said.

That is when he decided to acquire a Diploma of Financial Planning and become a Certified Financial Planner, before undertaking further studies including a Graduate Diploma in Applied Finance and Investment, as well as a Diploma of Life Coaching.

Since joining the industry 10 years ago, he won the Financial Planning Association

National 2010 Value of Advice Award in the pre-retirement category. But it was Badenach's thinking outside of the box that truly impressed our judges.

"I was impressed by Charles' openness to learn from other disciplines and apply those skills for the benefit of his clients," last year's *Money Management* Financial Planner of the Year, Catherine Robson, said.

"Clearly, his clients have benefited from his legal training, but I also think that his life coaching studies will also prove to be the way of the future for many advisers – he is clearly an individual of great energy, intelligence and forward thinking," Robson added.

Advice – not sale

With a background in commercial law, Charles Badenach said that he had always focused on the strategic value rather than just selling a product.

"In many instances, these clients have no investible assets and simply want strategic advice such as cash flow modelling," he says.

"This is an example of how I have been able to provide comprehensive financial planning advice without even discussing financial products which focus on concepts such as goals-based investing."

Over the past 12 months, Badenach had adopted a proactive approach on issues such as the importance of asset allocation, lifestyle planning and cash-flow modelling, given the difficult investment conditions.

"This has helped my clients make informed decisions when the temptation is to act on the 'media noise' and make short-term decisions based on emotion," he said. "Client education on volatility has been a major focus over the last 12 months."

Managing director of Matrix Planning Solutions and one of the members of this year's judging panel, Rick Di Cristoforo, said that Badenach was a true example where "true client engagement and value of advice is a reality".

Another member of the judging panel, former FPA chair Julie Berry, noted that Badenach's client testimonials demonstrated good relationships and strategic advice that has helped his clients achieve their goals.

Promoting financial literacy

Since joining the industry in 2001, Charles Badenach has been very passionate about improving financial literacy in his community, and this is evident from the activities he has undertaken to date.

Badenach developed a financial literacy program for the Migrant Resource Centre in Tasmania, which has now been replaced by a similar program run by the Australian Securities and Investments Commission.

He had also authored a self-help financial book *Old Head on Young Shoulders*, which was released in April 2011. Badenach donated the book to every school in Tasmania and made it available to school and parents and friends associations.

Following this, Badenach spoke to high school students around the state about common financial mistakes made by young people and how to avoid them.

He regularly runs educational workshops for migrants and helps them understand Australia's housing and investment market.

Community commitment

Badenach's involvement with the community, however, does not stop there. He provides his skills and financial expertise to a number of charity and community organisations in Tasmania.

In addition to being a board member of the children's charity Variety, Badenach is also chairman of the appeals committee which considers applications for financial assistance for medical and physiotherapy aids for the financially disadvantaged.

As a fellow of Jane Franklin College, he assists with the development of the college's long-term business plan, reviews monthly budgets and financial statements and provides strategic advice to the college on how to maintain their relevance in the business community going forward.

Badenach is also a board member of the Family Planning Association of Tasmania, where he manages budget development and cashflow, among other responsibilities.

In his application, Badenach mentioned his desire to mentor younger financial planners both within the Shadforth Financial Group and outside of its network.