

ORACLE CAPITAL GROUP

## Wealth management for players and executives

When it comes to top professional footballers' salaries and endorsement deals, the sky seems to be the limit. Yet, the financial downfall of some has received plenty of media coverage and tales of ex-professional players' financial woes show what can happen once their playing days are over. In fact, falls from what are often incredible financial highs to destitution are becoming more and more common. According to Xpro, the charity for retired professional footballers, three out of every five players will be declared bankrupt within five years of retiring.

Footballers face a different set of economic and financial challenges from any other profession. They have a far shorter peak earnings period and while the average person can afford to wait decades before they recover from a financial mistake, professional footballers are often at or near retirement by their early thirties. Also, they are young people thrust into money which they want to enjoy, yet they may forget that this money must last the rest of their life. They may lack the time and desire to monitor their wealth and they do not understand what constitutes realistic returns.

As for lucrative endorsement deals, these can be cut short when stars fall from grace. Coaches, managers and executives fall out of favour with football club owners too, which brings their contracts to an end and threatens their long-term financial security.

Another potential problem both footballers and football executives



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face is mismanagement of their money by unqualified advisers, friends and relatives, leading to failed business ventures or high-risk investments that are simply wrong for their needs.

### Wealth structuring, protection and growth

What high-net-worth clients such as professional footballers and football executives need is a bespoke service to manage and protect their wealth, designed with each individual's career path and earnings in mind – a service that will put them and their families in the best position for a life of post-career financial security.

This service should include advice on appropriate investments, private banking, trusts and private family foundations used to hold and transfer assets worldwide, help with retirement planning, specialist insurance and legal help – a one-stop-shop for all their financial needs because they do not have the time or inclination to go to 10 different places to get what they want.

Football professionals generally need fixed income investments, safety and security rather than returns that come with major risk-taking so their portfolios should include allocations to alternative investments like managed futures, hedged equity, private equity and commodities. They also need long-term liquid growth funds. The bottom line is risk control and access to liquid funds, now and in the future.

Another important aspect is tax mitigation. For example, in the case of international players, coaches and executives, there may be ways of avoiding UK tax on some of the income earned.

Internationals may also need pre-immigration planning and advice to ensure they do not incur inadvertent and unforeseen tax liabilities when relocating to the UK, as well as UK property advice if they are looking to rent or buy premium, high-calibre

properties in prime London and other UK locations. A good wealth consultancy or "family office" should also be able to offer property transaction support and property maintenance and management to make sure everything runs smoothly and that all the right services are provided to the highest standard.

### The most valuable asset: time

The lives of professional players and executives are hectic and, although surrounded by life's luxuries, their most precious asset is time. A bespoke "family office" lifestyle management service will help them balance their successful professional life with family life and commitments. In effect, it will simplify their and their families' lives, for example by helping them get their children into the best private schools in the country, giving them access to their own personal lifestyle manager on hand around the clock 365 days a year, access to the latest private jets airborne within hours of all European cities and by taking care of life's other necessities.

In summary, what football professionals need is a wealth management service that is totally unique to each and every one of them, a service that grows into a very close, friendly and trusting relationship based on confidentiality and transparency. The wealth consultancy must be able to listen and learn because only when they really understand what their clients' needs are, can they properly cater to these needs and try and solve the problems in their clients' professional and family lives. Most of all, the wealth consultancy must be proactive in offering honest, uncompromising and direct counsel.

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