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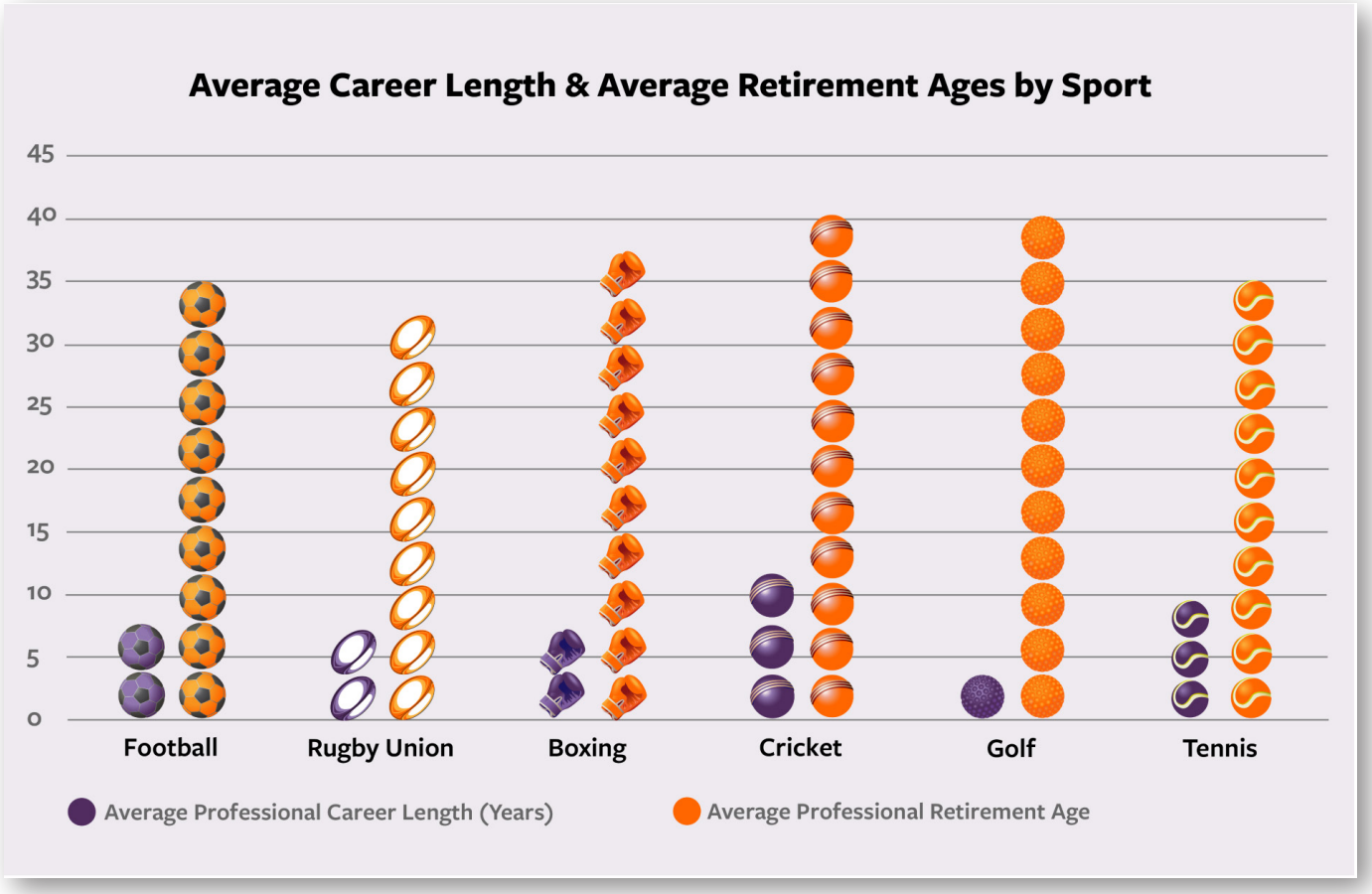
THREE FINANCIAL MISTAKES TO AVOID AS AN ELITE ATHLETE

The media are not shy when it comes to exposing elite athletes and their financial woes, this is nothing new.

But for us, as a firm who have managed client's money for almost four decades, it raises a concerning point. How did it go so wrong for those individuals? And more importantly, how can we help prevent this from happening again?

During an elite athletes playing career, the earnings potential is huge. But this doesn't last forever, for example on average a rugby player's career lasts less than 10 years (as you can see below), meaning you must take advantage of your high earnings early on.

Moreover, avoiding some really simple mistakes can be genuinely life-changing, and it ensures that a comfortable life can continue after sport.



So, what are these costly mistakes?

Mistake 1 - Misplaced Trust

We see countless numbers of schemes making unrealistic and false promises to players & coaches across a range of professional sports. Alan Shearer, Andy Cole, the late Sven-Goran Eriksson, just to name a few, are tragic examples of people who have entrusted the wrong people to help manage their finances.

It is vital you have a close partnership with the right financial advisers, who not only understand your needs and objectives while you are playing, but who can clearly display how making a small financial sacrifice now will hugely benefit your future self once you retire.

Our advice: if someone is guaranteeing they can make you consistent & significant returns by investing your money, it's probably too good to be true. Yes, significant returns can be made by investing your money over the long term, but there are certainly no guarantees. Investing should be a carefully thought out plan, not a quick win.

FOOTBALLERS LOST £1BN THROUGH POOR INVESTMENT AND TAX ADVICE

We see countless numbers of schemes making unrealistic and false promises. Don't be fooled by impressive salespeople!

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Mistake 2 - Failing To Prepare

It is understandable that life gets in the way, particularly if you're busy training and travelling. But have you ever given some serious consideration to your life after sport, and what you could be doing right now to have a happy and financially secure life when that comes to an end?

Our advice: it's our job as Chartered Financial Planners to sit down and spend time with you to get that financial plan in place. It isn't just about investing either, we will ensure you have the following:

- A tax-efficient savings plan
- Adequate insurance in place to protect your career and your loved ones
- A retirement plan
- Ongoing reviews and monitoring to ensure our plan is still suitable and relevant for your developing needs

Mistake 3 - Burying Your Head In The Sand

This is common amongst all of us, not just elite athletes. It's what we do when faced with something we're unsure of, it comes from a place of fear. Instead of tackling it head on we pretend it's not happening and instead "hope for the best".

The problem for elite athletes, as we've already covered, is the earning years are relatively short compared with other people who may not retire until their 60s. This means that time is even more precious, and there is a degree of urgency.

Our advice: take this opportunity to give some thought to your future life. Even if you have an intro call with our team and go no further, it's just a great start to get you thinking about your life after sport.

To get a head start with your finances, book a free, no obligation meeting with us using the link below:

BOOK YOUR CALL

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