

In fine trim thanks to your personal trainer at the gym? Now it's time to get flabby finances under control...

# How you can pile on the pounds with your own money coach

By Sally Hamilton

**S**HE doesn't wear a tracksuit to work. But like fellow coach Sven Goran Eriksson, she is a firm believer in a softly, softly approach combined with shock tactics.

Meet Simonne Gnessen, money coach – a new breed of financial adviser. Her mission is to make people financially fitter by showing them the way to eradicate money headaches and turn financial decisions into life-improving achievements.

Simonne believes that sorting out financial chaos can be as productive in beating stress as healing and alternative medicine. She says: 'One of the biggest causes of stress is money and if you can organise that better, you can reduce emotional grief.'

So her priority is to teach budgeting – and she likes to shock clients about the costs of non-essential spending. Take chocolate, for example.

A bar a day costing 45p may seem like a harmless indulgence. But that amount put in a savings account could build to more than £2,000 in ten years, assuming a reasonable interest rate, Simonne says.

And cigarettes? 'If someone stopped smoking 20 a day, they could save more than £1,500 in a year – and that's without any interest they could earn in a savings account.'

A former independent adviser, Simonne set up her Wise Monkey Financial Coaching website after 12 years in the profession. She believes many people need help and encouragement in managing their financial affairs, rather than the hard-sell commonly associated with advisers.

It is an approach that would be encouraged by the Consumers' Association. It is leading a campaign for the introduction of new-style financial planners who can offer low-cost advice and infor-



## THE SEVEN-POINT SURVIVAL PLAN

- 1 Know what you spend and ensure that you stick to a budget. Write down exactly what you spend each month. It will shock you.
- 2 Start young. If individuals clearly understand their finances at a young age and take them seriously, this can reduce the need to save hard or panic when they get older. A young person saving £100 a month might be better off in the future than an older person saving two or three times that level each month – and have less stress.
- 3 Think about retirement planning. This isn't just pensions. Most people do not have a clue what they have in terms of savings plans, what they're likely to be worth when they retire and what the Government will pay them.
- 4 Credit cards should never be used to cover expenses that you cannot afford. They should only be used as a four to six-week interest-free loan. At all costs, avoid paying only the minimum due on credit card bills, otherwise it might take years to pay off the balance.
- 5 Take responsibility for your finances and don't just rely on an expert. Once given the information and confidence, people can make better choices and understand any advice given.
- 6 Clearly identify your financial objectives, make plans to meet them and keep them under review.
- 7 Ignoring problems is a sure way of creating stress. Taking control of your finances is empowering and surprisingly interesting.

Confidence: Researcher Mems Malek says personal coaching sessions have given her the strength to branch out on her own

involve selling products. She says: 'I do not recommend specific products. I coach people and guide them to make their own decisions.'

'Armed with that knowledge, they can avoid being ripped off. I can show them how to look for financial deals on the internet, for example, or explain how discount brokers operate.'

Simonne has found that many people lack even basic knowledge of money matters, a gap that can lead to financial chaos as young adults turn into middle-aged parents.

She says: 'We tend to leave school without any knowledge of the financial world, though I know this is being addressed in parts of the curriculum.'

She believes that the starting point for clients is to count up all their spending for the past six months, beginning with fixed bills, followed by variables such as motoring costs, entertainment, clothes shopping and food, all of which can be reined back.

She says: 'Strangely, it can be people on high incomes who end up with nothing at the end of the month while the less well off are often better at building up a steady savings balance.'

'Those on big salaries think nothing of hailing a cab or paying

£50 for a meal out. Without some control on spending they can end up with zero savings, whereas someone on £20,000 a year who is a bit more wary of splashing out can soon build up several hundred pounds of savings.'

Simonne encourages clients to shop around for all financial deals, switch savings accounts and utility suppliers and to take care not to use phones at expensive peak-rate periods.

She also suggests they consider

Kicking cigarettes is not only good for your health – it could save a 20-a-day smoker £1,500 a year



exchanging their own skills and services with those of friends and family in bartering arrangements.

A few coaching sessions with Simonne gave 41-year-old Mems Malek, a researcher from north London, the confidence to go self-employed.

'I now have financial files rather than piles of paper,' she says. 'She talked me through what



Pointers: Will Hide meets Simonne Gnessen for an informal chat about money matters

## Travelling man finds the path to financial stability

**FREELANCE** travel writer Will Hide inevitably spends much of his time and money abroad. Argentina, Chile, South Africa and Namibia are just some of his recent destinations.

But he isn't worldly wise when it comes to finance.

It was not until his sister saw him filling in his tax return that she realised he might need some outside help with organising his finances.

Will, 34, from Fulham, west London, says: 'My sister is a conference organiser and is well paid.'

'When she saw me write in my annual income on the form, she thought I was joking. She bought me a session with Simonne Gnessen to sort me out. It gave me a real kick up the bum. The trouble with me is that if I have 2p in my pocket, I tend to spend it. I have wanderlust

and also love buying books, often never reading them. 'At the time I met Simonne, I had a huge debt on my credit card. She showed me how I could transfer it to another card, such as one with zero interest for six months, and to pay it off within that period.' Will, who will shortly be heading for Hawaii, now has no debts and is feeling confident enough to put more money into a pension.

self-employment would involve and who I should contact, such as the Inland Revenue. She helped me calculate what I should charge for my services and wrote a business plan that I often refer to.

'It gave me confidence to become self-employed and make a success of it.'

Simonne also gave Mems' general finances a wealth check and discovered that she had missed out on years of saving into company pensions that she had failed to join.

Mems says: 'I didn't realise I had lost lots of money. When you

start work, you just think about what you're earning and often don't look ahead. Before you know it, you're in a situation you need to sort out. I am about to have another session to work out what I should do to put this right.'

For those wanting to sort out serious money problems, there is plenty of free financial advice available.

Those who are struggling with severe debt can contact the Money Advice Trust, a charity that has links with agencies such as the Citizens Advice Bureaux. Advisers are trained to help clients organise their debts and

even negotiate with creditors. They might also help to boost income by making sure that all eligible tax relief and state benefits are claimed. Call 020 7489 7796 or log on to their website at [www.moneyadvice.org](http://www.moneyadvice.org)

Citizens Advice Bureaux also provide free advice on money concerns.

National Debtline is a free phone service on 0800 808 4000. The Consumer Credit Counselling Service is on 0800 138 1111.

Wise Monkey Financial Coaching is at [www.financial-coaching.co.uk](http://www.financial-coaching.co.uk). Phone: 020 7686 1439.



Saving the cash spent daily on a chocolate bar could bring a £2,000 nest-egg

mation on a range of products and services, consumer rights and how to get access to compensation schemes.

It wants these planners, who would form the first tier of a national financial advice network, to be impartial and available over the phone or internet, as well as face-to-face.

More sophisticated advice would come from professional advisers, including IFAs.

Simonne's target audience is not wealthy investors with plenty of cash. 'I want to work with people who would not generally seek the help of a financial adviser because of the cost,' she says.

Her business offers a kind of 'life laundry' for money stresses. She focuses on devising for her clients a strategy for clearing debts, wiping out inefficient

spending and tidying up mounting financial paperwork.

Though anyone can benefit from her brand of coaching, even if they go on to use an independent adviser, Simonne is keenest to help the young, such as graduates leaving university in debt, the unemployed and those taking the leap into self-employment.

She charges from £45 an hour compared with fee-based inde-

pendent adviser charges of between £100 and £150 an hour.

She says: 'I speak plain English and meet in informal places such as cafes and wine bars or at a client's home. I'm like a friend. Though I am professional in my approach, I aim not to be intimidating.'

Simonne's advice, while based on commonplace problems, is tailor-made, but it does not