If it flies or floats you are going to be better off renting it

IF IT flies or floats, you're better off renting it. So goes the old saying, along with 'the two happiest days in a sailor's life are the day he buys a boat and the day he sells it.'

Doubtless many a rueful entrepreneur, faced with yet another shatteringly expensive bill for the upkeep of the family Sunseeker-type yacht, may well prefer to rent a spot of luxury on the ocean waves going forward.

Today, whether you want to hire a boat or a private jet, smartphone apps are revolutionising the way we travel.

New apps such as YPI Selection for up-market boat hire, along with the nifty JetSmarter, which enables you to book an unfilled seat on a private jet, are proving to be a hit with those fed up with throwing good money after bad on high end transport ownership.

In fact, providing you have a spare £25,000, hiring a superyacht is little more than a click away.

YPI Selection, created one of the world's leading yacht brokers, Yachting Partners International, allows users to search for their nearest superyacht and hire the vessel immediately online.

It's not cheap, with entry level yachts featured on the site costing a cool £25,000 to hire for a single week. If you have £750,000 burning a hole in your pocket you can push the boat out good and proper, picking up a James Bond-esque boat decked out with a cinema, fully equipped gym, saunas, jacuzzis….you know the kind of thing.

Luxury yachts for charter tend to range from 25 metres to over 90 metres – which is a very big boat indeed.

Charterers tend to charter yachts in the Caribbean in the winter and the Mediterranean through the summer months, although many are now exploring newer areas like South America, Polynesia, New Zealand and Antarctica. With the British winter looming ahead, it could be time to download that app.

Or you could check out an app that has been dubbed "Uber for private jets": JetSmarter has launched a new service in Europe that will allow customers to book empty seats on luxury routes between London, Paris and Geneva, Nice and Moscow.

Reserving a seat on one of the company's six-seat Citation CJ3 is not off the scale expensive if you are used to paying for business class seats on commercial airlines, but at around £500 to fly from London to Paris you are still paying handsomely for the privilege of not mixing with the hoi polloi.

According to JetSmarter, around 15,000 people in the UK have already downloaded the app and the number of paying customers around the world is doubling every three months.

The company's JetShuttle service has ambitions to be operating in 150 cities worldwide within the next two years.

New apps … are proving to be a hit with those fed up with throwing good money after bad on high end transport ownership.

How your phone could save your life

The ferocious US and South American hurricanes which have dominated the news agenda in recent weeks have echoes of the dreadful devastation caused by Hurricane Katrina back in 2005.

Many incredible stories of human survival have emerged from both the Katrina and more recent Hurricane Irma forces of nature. But one interesting development – and one that is applicable to us all in any contemporary emergency is ICE – the acronym for In Case of Emergency.

With so many people injured, unconscious and separated from their families in the hurricane disasters, emergency workers came up with the idea of putting an ICE contact in their cell phones.

Unsurprisingly, the idea quickly caught on. In case of emergency is a program that enables first responders, such as paramedics, firefighters, and police officers, as well as hospital personnel, to contact the next of kin of the owner of a mobile phone to find important medical or support information.

IPhones and effectively any of the many Android smartphones out there are eligible to be set up for ICE.

It's a really quick and easy process and probably the best way to set yours up is by having a quick look at this YouTube link: https://www.youtube.com/watch?v=DyAbweSS7uw

if you don't much fancy YouTube, then simply follow this link to an excellent PC magazine article – which gives a step by step explanation on how to set up ICE for your device –

http://uk.pcmag.com/productivity-products/70260/feature/how-to-add-emergency-info-to-your-phones-lock-screen

As well as creating your ICE contacts – next of kin, wife/husband, son/daughter etc, you can also use your device's Notes section for miscellaneous information you want to communicate. It could be a list of allergies, or medications you're currently taking, for example.

Don't worry also about passwords and locked phones. Medical personnel know exactly how to override this – but crucially, make sure you have set up those ICE contacts. They might just save your life.

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The Wire

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The Sure Thing

By Marcus Carlton

It is 2:35pm on the 26th June 1975 at Bellewstown racecourse County Meath Ireland.

As Benny O' Hanlon swings open the door to the only functioning phone booth at the track and proceeds to call his dying aunt in hospital, the queue behind him is considerate enough not to interrupt or hurry him till he rings off at 3:00pm.

Oh dear.

The call was fake and part of an elaborate sequence of events which led to one of the most legendary betting coups in horse racing history.

The "sure thing" or the Yellow Sam betting coup as it became to be known was devised by Barney Curley, an Irish professional gambler and philanthropist (as well as ex-publican, pop group manager, trainer and entrepreneur).

Many months earlier Curley had purchased a steady horse called Yellow Sam with the ultimate aim of running the Bellestown National Hunt race. To ensure that the horse would run with a much lighter handicap Curley curated a series of poor results on other tracks in unfavourable conditions.

Come the Bellewstown day Yellow Sam was priced at a juicy 20-1.

Typically a large series of bets on the same horse would shorten the odds and Curley had a veritable army of friends lined up to place bets 10 minutes before the start in off track betting courses up and down Ireland.

Normally that news would have been relayed between the on and off course bookies but as the only line of communication was engaged by the poor man speaking to his dying aunt the news could not get through in time, Yellow Sam came in 2 and half lengths ahead and the Bookies paid out the equivalent of millions in today's money.

Curley had gambled his entire life savings on the "sure thing".

Still you make your own luck and it's doubtless true that the outcome would have been very different had the one Extel line supplying race data to the betting offices from the course not been out of use due to mysterious reasons.

Curley went on to repeat his success with another betting coup in 2014 when he took the unfortunate bookies for another few million.

Meanwhile he had started a charity called Direct Aid for Africa (Dafa) which builds schools and hospitals for desperately poor communities saving lives on a daily basis. The winnings were in part sunk into this charity.

A great tale but of course we all know in life that there is rarely such a "sure thing".

Behind the growing disquiet around the banking crises in 2008 many decent hard working employees had their once rock solid life's savings wiped out.

Savings represented by share options, save as you earn schemes, share awards in lieu of bonus or linked to long term incentive plans (LTIP).

Holdings once worth tens of thousands if not millions of pounds each reduced to mere pennies.

A lfetime of hard work traduced to rubble. And not just the casino bank employees but those who were mostly nowhere near the dealing rooms. These were every day workers convinced by the security of their employer and the relentless share price increases.

The reduction of bonus culture by the more aligned method of remuneration by share bonus or LTIP is today creating substantial pots of wealth held in a single asset and potentially hugely vulnerable to the whims of the market.

The list of large corporate slumps and presumably the attrition to employee's savings is considerable.

Just this year (2017 alone): Capita share price halving overnight, construction group Carillion fighting for survival after a 75% share price drop and most recently Provident Financial down 2/3rds in recent months.

There are implications for hard working employee's directors and private share owners alike as increasingly holding a large part of family wealth in one asset is subject to a historically much more volatile market.

At HFM Columbus we are used to dealing with these issues, helping clients to spread their eggs across many baskets.

We can help with planning the sale of shares for main board directors who can only deal in certain windows, we can cash-flow plan for events when capital might be needed and manage the tax implications. We can manage unwieldy unbalanced portfolios into balanced long term strategies which can really deliver on a family's aspiration

We know there is no such certainty as a "sure thing" but we can help improve your economic odds substantially by managing your personal risk profile. It's not gambling. It is sound financial management.

Pre-nuptials and co-habitation agreements

On the back of Roman Abramovich and other high profile partnerships ending in the divorce courts, we take a look at the pros and cons of these increasingly popular arrangements in the higher net worth community

EVEN IF YOU are worth a reported £7 billion, as is apparently the case with Russian oligarch Roman Abramovich, staring down the barrel of yet another separation (it's third time unlucky for Roman), you can be forgiven for rummaging through the drawers looking for that insurance back up - the pre-nuptial agreement.

The Abramaovich's separation attracted enormous media interest, with its juicy ingredients of fabulous wealth and playboy lifestyle played out in the glare of the public spotlight.

While cases like these regularly make the news headlines, inviting prurient scrutiny as they do, the notion of the pre-nup - how is the wealth going to be divvied up - is also of interest.

Having given your children the best of all possible starts in life, many of our clients will also perhaps be wondering how they can safeguard the fruits of that labour.

Other people's lives, other people's problems. But the notion of the pre-nup can also be of interest to those who have worked hard to accumulate significant capital and have invested wisely.

Having given your children the best of all possible starts in life, many of our clients will also perhaps be wondering how they can safeguard the fruits of that labour.

The notion of a pre-nup or pre-habitation agreement as they are also known, has relevance for many of our clients' offspring. You may well have given them a helping hand onto the property ladder. Perhaps you have already begun the process of bestowing part of your wealth to your kids. It is after all a normal part of the intergenerational transfer process.

Having done so, and with not inconsiderable sums often involved, it is understandable that you would also want to try and protect your offspring's financial security accordingly.

Perhaps not a bad idea then to think about the potential of a pre-nup or habitation agreement. Legal practise is so flexible these days that an agreement could be drawn up as part of the family 'constitution' - in much the same way as it was when the knights of aristocratic families roamed the land on their chargers, lances in their hands, and the love of a fair maiden in their hearts.

Given that the notion of a pre-nup is about as romantic as a wet November weekend in northern Siberia, a standard agreement in place irrespective of who the kids may marry could be far easier and more elegant than introducing it the day after the question has been popped.

As Roman has doubtless learnt over the years, a pre-nuptial agreement will go some way towards softening the financial hit - and of course it works both ways, delivering clarity in high net worth circumstances. Both parties can make it clear to one another, for example, that certain property will not be shared during the marriage or on any future divorce.

There is also more certainty. Husband and wife can agree at the outset of the marriage how their finances will be divided if they separate or divorce - they will both know at the outset of the marriage the value of each other's assets, which should be more than handy if the relationship runs into the buffers.

Assets - be they inheritances, family heirlooms, an interest in a family business, gifts received from a third party, or property acquired before the marriage - whatever, can be ring-fenced. And of course, if there are children from a previous relationship or marriage a pre-nuptial agreement can protect their financial interests by ensuring certain assets are ringfenced for them.

Experts typically recommend that if you do opt for a pre-nup, it's wise to incorporate a review clause that triggers a review of the terms on a significant change in circumstances, such as the birth of a child or bankruptcy.

Typical considerations for a pre-nup might include the following:

- There are assets and/or property that would be hard to split 50/50
- You, and/or your partner, have children from a previous relationship and want to ensure certain assets are reserved for them and protect their inheritance rights. (It is also crucial to make a Will for the same reason.)
- You want to protect inherited money or assets
- You want to safeguard substantial savings or expected future inheritance for the kids
- Either party own a business which they'd like to retain control of

To paraphrase Groucho Marx, you may not want to be a member of any club which would have you as a member - but sometimes it might pay to think about ring fencing those assets to protect family and loved ones in the future. Because none of us really know what is around the corner.

Husband and wife can agree at the outset of the marriage how their finances will be divided if they separate or divorce.

The rise of the machines...

by James Tuson

Have active managers had their Judgement Day? The inexorable rise of passive funds have, in the words of active fund manager Nick Train brought "challenges, possibly existential challenges, for some traditional 'active' managers [who] will have to consider what the consumer shift to passive strategies implies for its franchise".

The rise has indeed been dramatic, with passive strategies forecast to have had almost 10% compound annual growth in the percentage share of total industry assets under management (AUM) between the early 2000's and 2021; with their percentage share of total AUM doubling to 15% between 2003-2015.

Whilst the US market has moved further and faster than Europe, the same trend applies here with active strategies share of the overall market declining from 93% to 86% in 8 years (2007-15). In the first half of this year alone, ETF's gained an eye-watering $250 billion in net new inflows, whilst active managers could only muster a third of that success.

If you're running a lazy, index-tracking active fund with a high charge then you are right to be fearful and justifiably so.

Too long have too many existed off the fat of 'active' trackers and investors are voting with their feet. In the double-digit returns world that were the 1980's and 1990's it was more important to be in the market rather than pay too much attention to how much you were paying to be in it.

In the low returns environment that exists today, where charges are incrementally a greater percentage of the overall returns on offer, it shouldn't come as a surprise that they garner greater focus from both investors and the regulator.

But, here's the rub. How much of a future advantage will active managers be able to mobilise when confronted with large pool of assets making predictable moves within the same marketplace?

Passive funds allocate their capital in a prescribed, understandable, but not selective, manner. We believe out of the adversity posed from the rise in passive assets lies opportunity for a leaner, fitter group of active investors who have the time, patience and willingness to be more selective in their approach.

If this imposes some long-overdue Darwinism on sections of the asset management world who for too long have over-promised and under-delivered, then client outcomes will surely be improved, which will be better for all.

A future world where the behemoths of the index world continue to deliver index returns at fractional cost coupled with fewer, but higher quality active managers should be welcomed, rather than feared.

We continue in what we have always tried to achieve, which is to seek out active managers who, after fees, deliver value through long term outperformance, coupled with a fall-back position of buying a cheap, passive alternative where the cupboard looks bare.

If you're running a lazy, index-tracking active fund with a high charge then you are right to be fearful and justifiably so.