

Prism Xpat: building bridges for expats between the UK and Oz

Australians returning to Australia after a period of working in the UK share certain characteristics with those of their host nation who are looking to emigrate to Oz, either to work there themselves or to retire.

Both groups have a tendency to plan everything well in advance, from arranging their flights down to the last detail to figuring out where their children will go to school, once they've arrived, according to Darion Pohl.

Some, he says, have even lined up the gyms they plan to use once they get there, or which Australian Rules football team they intend to support.

Since 2002, Pohl, who is Australia born-and-raised himself, has built a sizeable business, in part at least, by helping such soon-to-depart, Australia-bound individuals with the one area of planning for their trip that they too often overlook completely: their finances.

"What they tend to forget, or simply weren't aware of, are such things as the fact that once they land in Australia, they're going to be taxed on all of their global assets," Pohl explains.

"So what we do, if we get a chance to talk to them before they leave, is sit them down and guide them through what they've got to do with all of their UK assets first, including their property, investments, insurance, pensions – the whole lot."

These days, Pohl's clients aren't just on their way to (or returning to) Australia, he adds; for some time Pohl's company, Prism Xpats (known Down Under as Xpat Group) has also catered for New Zealand expats, and those emigrating there.

Most recently, the firm has begun advising Canadian and South African nationals living in Britain, as well as Brits who are preparing to move, temporarily or permanently, to Canada or South Africa, Pohl says.



Darion Pohl,
Prism Xpat

Britons emigrating to Australia need to do more than buy a one-way ticket to Sydney, and a book on how to speak "Strine". So says Darion Pohl, a founder and the CEO of London-based Prism Xpat, which helps expats going in both directions to avoid the financial pitfalls that can await them.

Helen Burggraf discovers a road to and from Oz that has nothing to do with yellow bricks, wizards or witches

"Australia still probably represents about 70% of our business," Pohl, who speaks with a distinctly Australian twang, despite having lived in the UK since 2001, adds. "I couldn't tell you what percentage of these are Australians and Brits going there, or Australians emigrating here, it's a mix – maybe half and half.

"New Zealanders would be the next

largest group. The Canadians and South Africans are too new to estimate numbers, we only just started looking after these nationals a few months back."

THE ACTUARIAL PERSPECTIVE

Pohl is 44 years old, and thus relatively young by advisory industry standards

to be heading up a cross-border financial advisory company.

He's unusual in another way as well: he found his way into the business after qualifying to be an actuary, and practicing as one for a period of time. All told, he says he's spent the past 20 years working in the UK and Australian financial services industries.

It's this background, he says, that gives Prism Xpat its USP, which he defines as "international pensions, and in particular, defined benefit pensions", an important but difficult area for many advisers who lack the necessary training, Pohl notes.

"Pension transfers are one of our main lines of business, and within that, defined benefit/final salary pensions advice and transfers – where such transfers are in the client's best interests – for international clients is probably the core of what we do," he says.

"That's because actuaries are the ones who usually calculate final salary pension transfer value. So if Mr Smith is told by his pension scheme actuary that his BP final salary pension scheme has a transfer value of, say, £200,000, we are able to tell him, because we are experts in this area, whether he should actually take the transfer value or not.

"If so, we would then determine the most appropriate jurisdiction to hold his funds, via a QROPS or another UK pension arrangement, and then undertake the transfer for him if this is required.

"If the transfer value is too low, we would continue to work with Mr Smith and, [if appropriate, might] go back and ask BP for a re-calculation.

"So that's one of the advantages we offer, compared to some of the other financial advisory firms in the market."

VEGEMITE AND TENNIS

Pohl pitched up in London around 2001. A lanky, tanned, tennis-playing, Vegemite-toting Aussie who happened to be a fellow of Australia's Institute of Actuaries, he had tired, Pohl recalls today, of working for JBWere in Australia (which was soon to merge with Goldman Sachs, and some years after that rebranded as Goldman Sachs & Partners Australia).

"The UK had a shortage of actuaries

at that time, which was around the time of something called the Pensions Mis-Selling Review, when they needed qualified actuaries to work out the extent of the mis-selling of pensions that had been going on," Pohl says, by phone from his company's base near Wembley Stadium in London.

"So I came here, after being told about the opportunity to work on the UK Pensions Mis-Selling Review, and met up with a university friend of mine and fellow actuary, Jim Hennington.

"Partly because of the profile I already had, as a result of what I had been doing in Australia, and partly through my own connections, I immediately started getting a lot of questions from Londoners who were moving to Australia, and from Australian expatriates, who wanted to know what to do with their finances.

"So I set up Xpat in 2002, and Jim and I started working with this expatriate client base."

Because at that point they lacked certain necessary retail financial advice qualifications, Pohl and Hennington joined forces with an existing London-based advisory group that had UK-qualified financial advisers, and which was otherwise properly regulated, called Prism, making their operation Prism Xpat.

Almost immediately, the expatriate division effectively took over the company, and Prism Xpat began to market itself as an expatriate advisory specialist, Pohl says, "specialising in Australian expats and emigrants to Australia".

Prism Xpat

Founded: 2002

Assets under advice: Undisclosed; approx 50% growth in AUM over the past two years

No. of clients: "Thousands"

No. of advisers: N/a

No. of employees: N/a

No. of offices: Headquartered in the UK; affiliates throughout Australia and New Zealand; currently developing a business and presence in Canada and South Africa

Website: www.prismxpat.com

Regulated by: UK Financial Conduct Authority

"WE'VE DEALT WITH ROCK STARS, ENGLISH CRICKETERS, GLOBAL CEOS, AND SENIOR DIRECTORS FROM TOP FTSE 50 AND FTSE 20 COMPANIES; ALL SORTS."

*Darion Pohl,
Prism Xpat*

The two original founders of Prism dropped away, and then, in 2009, Hennington also left, to return to Australia, leaving Pohl to run Prism Xpat on his own, apart from a team that by that time, he says, numbered around 15 people. Also by then, he had signed up an ever-growing number of affiliated advisers in Australia and New Zealand.

As a result, Pohl has run the company more or less single-handedly ever since.

PENSIONS ADVICE

A qualified actuary in both the UK and Australia, with UK pension transfer

qualifications and, now, financial advisory qualifications as well, Pohl seems almost unnaturally fond of pensions, and of discussing them, at length.

"I don't currently write all of Prism Xpat's pension advice, and I don't write all the transfer recommendations, but I do review most of them.

"I've literally looked at thousands of schemes since 2002. Thousands."

And his professional opinion on all those defined benefit schemes that many people, encouraged by QROPS specialists, are looking to transfer abroad, is this: Get good advice.

"There are some very good final salary pension schemes out there, and some that it makes sense to transfer, but there are also schemes that should never be transferred, because they will be worth a lot more if they're left where they are."

Asked who Prism Xpat's average customer is, Pohl is silent at first.

"They tend to be from Australia or New Zealand, and range in age from 30 to about 75," he finally says.

"As for what they do, it's the full range of client types. We've dealt with rock stars, English cricketers, global CEOs, and senior directors from top FTSE 50 and FTSE 20 companies; all sorts. Inspectors from Scotland Yard, priests.

"Every profession you could think of." ■