

EXTRACT FROM The Sunday Tribune 24<sup>th</sup> October, 2004

## **GOOD THINGS OFTEN HAPPEN IN TREES**

Niall Brady

ABOUT 10 years ago, Ian McConkey's pension adviser told him he had missed the boat. "When I finally got around to looking at a pension, I was told I'd left it way too late even though at the time I was only 31," he says. "There was no way I could afford the contributions they said I should be making."

So the 40-year-old businessman, who runs an advertising and graphic design business, put as much as he could afford into the pension and began looking for other ways of bridging the shortfall. One of the options was the forestry investment sold by Irish Forestry Services. Ian has invested about €4,000 in two 30-year funds, €1,500 in a ten-year plan and is considering putting more money into the latest plan, which closes next Friday.

"It's not big money, and there's no two way about it this is a punt and the returns certainly aren't guaranteed," he says. "But the tax side is very attractive and the 30-year fund looked like a good idea for the long term. Then the kids came along and I signed up for the ten-year plan to help pay for their education." Ian is still paying into his pension plan and tops up his contributions at each tax deadline when he can afford. Ian admits to having little knowledge of forestry and says he did not do much homework before investing his money.

"It doesn't take much money to get into forestry investment so I didn't see the need to spend six months researching the market beforehand," he says. "It's an asset-backed investment so I'm not too worried about it." He says he heard about Irish Forestry Services "after I popped upon somebody's mailing list". Like many others, Ian finds it hard to find a good home for his money. He believes Irish property is too expensive while investing overseas can be a lot of hassle. Returns from other asset classes are equally uncertain. "Stocks and shares have been languishing for a long time and there's nothing to be made from leaving money in the bank," says Ian. He can keep track of his money in annual statements provided by Irish Forestry Services but the value of his investment will not be known until the forests are sold. "What they give you is more like an accountant's valuation than an open market valuation so I don't pay too much attention," he says. "I haven't examined my pension statements either because I'm afraid to see how badly they've performed."