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General

The value of our advice

Good financial advice and planning helps people to protect and build their assets, make the most of their investments and help to achieve the goals and lifestyle they desire.

For more information about any of our services, please get in touch.

Establishing priorities

Every client we meet has a unique and varied range of financial planning needs, so it's important to establish priorities right from the start if we are to create a meaningful and relevant plan.

As time passes, your financial plan will need to evolve, and regulatory changes can impact the effectiveness of any structures already in place. That's why we recommend a regular review to ensure that your plans remain on track and relevant.

The importance of ongoing advice and service

If you choose to receive ongoing advice and service from us, we'll invite you to regular meetings where we will monitor the progress of your plans and discuss any adjustments required in the light of changing circumstances.

We believe that ongoing service can help you continue to make well-informed choices and give you the best chance of achieving your goals through key life stages.

Five promises we make to our clients

1. We will help you arrange your finances so that they work as effectively as possible towards funding your life goals.
2. We will help you take steps to ensure your income, assets and family are protected from the impact of long-term illness, disablement or death.
3. We will advise you on how your investments can benefit from relevant tax reliefs and allowances. We will also advise you on the most effective way of withdrawing income or capital from your arrangements when the need arises, or how best to pass wealth to your intended beneficiaries.
4. We will help you keep your plans in focus by regularly meeting with you to review and refresh arrangements. This might be a result of changing personal circumstances, legislation, new opportunities and any other factors relevant to your situation.
5. We will be accessible and responsive whenever you wish to contact us with queries or requests.

OW1018 Exp. 28/09/18

Investment advice – what a relief!

Every client we meet has a unique and varied range of financial planning needs, so it's important to establish priorities as the first step towards creating a meaningful and relevant financial plan.

When it comes to investment planning, one such priority is making sure you're in a position to maximise the tax reliefs and allowances that are available. Here's a useful summary:

Earn up to **£1,000** interest on your personal savings tax free, higher rate taxpayers will be able to earn up to £500

Pay no tax on the first **£5,000** of dividend income from your investments (This allowance reduces to £2,000 in the 2018/19 tax year)

Invest up to £3,600 or 100% of UK relevant earnings, whichever is the greater,up to a maximum of **£40,000** in your pension every tax year and receive tax relief on those contributions

Review your potential Inheritance Tax liability with the introduction of the Residence Nil Rate Band

Make the most of your ISA allowance every year and invest up to **£20,000** (in 2017/18)

Consider whether you could take advantage of the tax efficiencies available from investing in an Enterprise Investment Scheme or Venture Capital Trust. Please note these are specialist investment options that carry higher risk and not suitable for all investors

Make the most of your **£11,300** Capital Gains Tax CGT allowance when selling an asset or investment that has increased in value. Transfer between spouses is currently exempt from CGT. By gifting assets to your spouse or Civil Partner you effectively double your allowance

To find out more about how we can plan a tax efficient investment strategy please get in touch.

This information is based on our current understanding of the rules for the 2017-18 tax year.

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

The value of investments and any income from them can go down as well as up and you may not get back the original amount invested.

OW1004 Exp. 31/03/18

Take control of your investments

Getting a clear, concise view of your investment portfolio can be difficult and time-consuming. That's why we use a secure, online system known as a Platform.

A Platform gives you secure, online access to your investment funds with a transparent, easy-to-understand charging structure. So rather than holding your ISAs, pensions and other investments in different places, you can view everything at a single glance.

Think of it as an online bank account for your investments which we can administer on your behalf.

A clear picture

As well as cutting down on paperwork, using a Platform can speed up transactions and give you the flexibility to take advantage of annual tax allowances. And because your assets are held on one online source, you (and we) can access consolidated reports at the touch of a button.

Whether you need a stocks and shares ISA for tax efficient savings, a simple way of investing your money or a pension to help fund your retirement, we can offer it all in one place with a single solution, giving you secure online access to keep an eye on your investments 24/7.

With us by your side, we'll help make your money work harder for you, giving you a sense of direction and control over your future.

The benefits of a Platform:

Choice
A Platform provides easy access to a wide range of investment funds, allowing us to tailor your portfolio to better reflect your current circumstances, financial position and attitude to risk.

Flexibility
As well as allowing you to view your investments in one place, the flexibility of the Platform means you can record other assets such as the value of your property or any antiques you may have.

Ease of use
The Platform is uncomplicated and user-friendly. It takes the effort out of managing your finances (and completing your tax return) because you can access consolidated reports at the touch of a button.

Transparent charging
The Platform helps you clearly see the costs involved with any investment decision you make.

Control
The Platform gives greater control when it comes to making key investment decisions.

Your Platform access may depend on the ongoing servicing level you have agreed with us.

Past performance is not a guide to future performance. The value of an investment and any income from it can fall as well as rise as a result of market and currency fluctuations. You may not get back the amount you originally invested.

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OW1015 Exp. 29/09/18

Pension death benefits

There's a range of options when it comes to deciding how to fund retirement, but few of us stop to think about what might happen to pension savings in the event of death.

Please contact me if you'd like to discuss the rules and explore whether and how you and your loved ones could benefit from them.

Alongside the more familiar changes to retirement choices that happened back in 2015, 'Pension Freedoms' heralded significant changes in how pension death benefits are taxed; bringing with them new inheritance-planning opportunities.

Passing on wealth

Since April 2015 it has been possible for the plan holder to pass their pension on to any nominee(s) through something called Nominee Flexi-Access Drawdown. Further, when the nominee dies, a successor - or successors - can also inherit a drawdown pension through a Successor Flexi-Access Drawdown.

In turn, each nominee or successor can pass the assets on to other nominees or successors, retaining the tax efficiency of the plan through multiple generations.

The key benefit lies in retaining the assets within a pension wrapper: in this way they fall outside of the plan holder's estate for Inheritance Tax (IHT) purposes. As long as they remain within the wrapper they stay tax efficient in most cases until they're needed by the nominee or successor.

If the plan holder - or a nominee or a successor - dies before the age of 75, not only are the assets passed on free of IHT, but the drawdowns are paid out free of income tax. If they die after the age of 75, the assets are still excluded from the estate for IHT purposes, but any lump sums or income drawdowns are treated as income and are subject to the beneficiaries' own marginal rate of tax (ie. taking into account other sources of income).

How might your dependents benefit?

The example given below is a simplified illustration and only a guide to what might be achieved with careful financial planning.

However, it's important to note that most of the existing pension plans were set up before the new regulations came into force and may not have the flexibility to establish Nominee or Successor Flexi-Access Drawdown accounts.

Instead, the pension provider will pay out the full value of the fund in cash on the death of the plan holder. In that situation, the assets count towards the total estate for IHT purposes.

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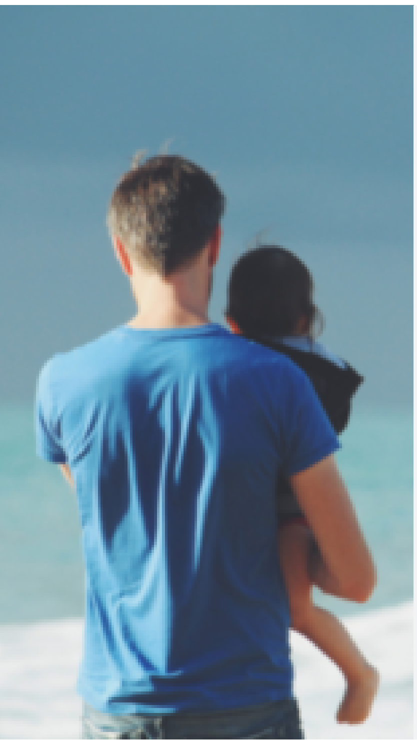


The pension family tree

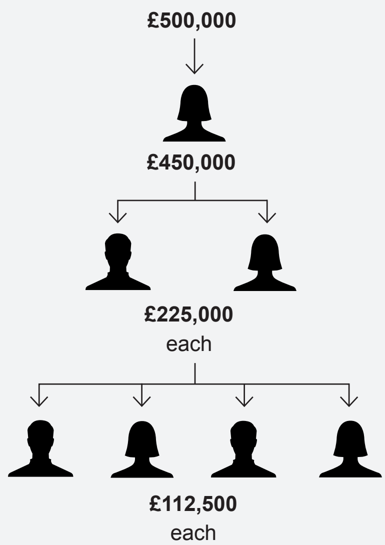
A family comprises a husband and wife, their two children who in turn have two children each (four grandchildren in total).

The husband dies aged 76 with £500,000 remaining in his pension fund.

The wife inherits a Nominee Flexi-Access Drawdown plan. As her husband died after reaching the age of 75, any withdrawals are taxable as income. The wife dies aged 74 and with £450,000 remaining in the plan.

The two children each inherit half of this (£225,000) through Successor Flexi-Access Drawdown. Withdrawals are tax free as the mother died before age 75. However, both children die in their 60s without accessing their plans. As they also died before reaching 75, each residual pension fund passes tax free to the grandchildren.

Each grandchild inherits a Successor Flexi-Access Drawdown pot of £112,500 and enjoys tax-free withdrawals.



Protecting your mortgage repayments

We think protection advice is imperative when you have a home or family you want to protect. So, talk to us about a mortgage and we'll talk to you about life cover.

Choosing to protect yourself

When you take out a mortgage through us, we'll ask if you want to take out protection as well. What's more, we will analyse your lifestyle and any protection shortfall and recommend a protection plan that will help protect you and your family from the financial consequences of serious illness or death.

Buying a house could be one of the biggest financial commitments you'll make: getting a deposit together can wipe out your savings and paying your mortgage will take a chunk out of your income. So how would your family continue to meet this commitment if you stopped earning?

When taking out a mortgage, it's essential to consider how you would continue to cover your mortgage payments if you fell ill or died unexpectedly.
There are a number of ways you can do this:

Life Insurance

If you died suddenly, a Life Insurance policy would pay out a cash sum to your dependents. They could use this to pay off their mortgage and keep the roof over their heads.

Mortgage Payment Protection Insurance (MPPI)

Also known as Accident Sickness and Unemployment (ASU) cover, MPPI covers your mortgage related repayments if you can't work because of redundancy, accident or ill-health. Benefits are usually paid for 12 months although some providers offer 24 months' cover.

Critical Illness Insurance

Critical Illness Insurance pays out a lump sum if you're diagnosed with a specified critical illness such as cancer, stroke or heart attack. You can use the cash payout to clear your mortgage, pay for medical treatment, take time to recuperate or anything else you choose.

Income Protection

Income Protection can replace part of your income if you're unable to work for a long time due to illness or disability. It will pay out until you return to work or the policy ends – whichever happens first. Income Protection plans usually have a waiting period before the benefit becomes payable.

OW1010 Exp. 28/09/18

How to fund a university education

Before the introduction of student loans you may have left university with a bank overdraft. But the sum owed probably paled into insignificance compared to the five-figure debts faced by the coming generation of graduates.

If you're looking for advice on how to invest to support your child's education, please get in touch.

According to the Institute for Fiscal Studies when added to university fees, the average student starting their degree course this year will face a potential £50,800 of debt on graduation, taking university fees and the cost of living into account.

Financial burden

According to the Universities and Colleges Admission Service (UCAS), there was a 5% decline in the number of UK students applying to university for courses starting in 2017. The figures show a 7% drop in applications in Wales, 6% in England and 5% in Northern Ireland. This could be partly attributed to the loss of grant system, as the decline was only 2% in Scotland where fees are paid by the Scottish Government.

Evidence also suggests that fewer students are combining part-time work with their studies. During March to May 2017, of 2.04 million full time students 890,000 took part-time jobs. This is down 41,000 on the same period the previous year.

The combination of increased fees coupled with the reduced number of students taking part-time work, could create a greater financial burden on parents who want to support their children, or result in a bigger loan amount faced by students when they leave university.

Investing for your children's education

If you want to fund your child through their degree course, there are plenty of options to consider. But there are also a number of considerations that it's important to be aware of, including ownership of the investments and the impact of tax.

Two principles which apply to many aspects of financial planning are particularly relevant when planning for your children's financial future:

1. The sooner you start, the better. The longer the timescale, the more scope there is for investments to grow (although there is still no guarantee that they will).

2. Take expert advice before making any decisions. The right investment set up in the wrong way can be worse than the wrong investment set up in the right way. DIY planning is not to be recommended, given the potential pitfalls.

The value of investments and any income from them can go down as well as up and you may not get back the original amount invested.

What are your grand designs?

Are you a budding Frank Lloyd Wright with ambitions to design and build a home to your exact specifications?

If you're choosing to build the property of your dreams and you have the knowledge and skills required, you could opt for the DIY route and take on as much of the work as you can. Or you could choose to employ professionals to do some, or all of it for you.

If you have a grand design, or you're looking for advice on non-standard mortgages, please get in touch. We can help find the right mortgage whatever your property ambitions.

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

Self-build mortgages

Whichever route you choose you'll need to think about financing the project - unless of course you have enough cash to fund such a project. You won't be able to apply for a residential mortgage, which means you'll need to look specifically at specialist self-build mortgages.

With a self-build mortgage you won't receive all of the funds in one lump sum as you would with a residential mortgage. Instead, these types of mortgages tend to pay out funds during different stages in the process. For instance, once you've bought the land, or when the foundations are laid, or when the roof and windows have been installed.

The timing of the release of funds will differ depending on the materials you're using to build your home, or if you're renovating a property rather than building from scratch.

Self-build advantages

Every year 13,000 people from all walks of life take the plunge and build their dream home and it's not surprising when you consider the benefits.

You can choose where to splash out and where to save. You can design your living space around the needs of your family, so if you love cooking you could make the kitchen the heart of the home. You could also make sure your home has a low carbon footprint by installing solar panels and using eco-friendly building materials.

If you find a plot priced under the £125,000 threshold you could also save thousands on stamp duty as it is only payable on the purchase of the land.

Your home may be repossessed if you do not keep up repayments on your mortgage.

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OW1019 Exp. 28/09/18