

# VISION

Issue 3 | Winter 2017

**MAGAZINE**

Impartial, accountable and trusted

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Our detailed and expert financial planning is underpinned by discretionary investment management to help grow and secure your financial future.

To find out more, please contact a member of our Wealth Management team.



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OF THE UK'S  
'TOP 100 ADVISERS'  
IN 2012, 2013,  
2014 & 2015 BY  
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SG WEALTH MANAGEMENT  
Impartial, accountable and trusted

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Welcome to the latest issue of *Vision Magazine* from SG Wealth Management. When it comes to funding a university education, it is parents and grandparents who typically look to provide the money. But even though this may be the case, last year's graduates from English universities are still left with an average of £44,000 debt, with some parents still, on average, expecting their children to leave university with £23,000 debt. Students are closer to the mark, predicting an average debt of £35,000. Students expect, on average, to take 17 years to pay off their debt once graduated; research from the Sutton Trust suggests three in four graduates will be paying off student debts into their 50s. Find out more on page 07.

The Government has introduced comprehensive reforms to the pension rules over the previous few years. On page 08, we look at one important change, which may have been overlooked by some savers: the reduction of the lifetime allowance that applies to pension savings. The lifetime allowance is the total amount you can hold within all your pensions without incurring an additional tax charge when you extract money from the pot.

The full list of the articles featured in this issue appears opposite.

We hope you enjoy reading this issue and find it informative. To discuss any of the articles featured, please contact us.

Simone Nicholson, Editor



**SG WEALTH MANAGEMENT**  
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# STEPHEN GIRLING, MANAGING DIRECTOR, REFLECTS ON THE PAST YEAR

This is now our third issue of *Vision Magazine* – doesn't time fly! I wanted to take a moment to reflect on 2016 and share some of my personal highlights and insights into life here at SG Wealth Management.

## LOOKING BACK...

In the summer, I appointed Tina Smiddy as my Deputy Director. Tina is here to work alongside me and is responsible for executing strategies developed by the Senior Management Team and myself. Tina has 30 years' experience working in financial services gained at ABB, SEB, UBS and Alvine Capital, so it's a privilege to have her join us. We have also continued to grow our support functions in the areas of paraplanning, investment analysis and client services support in order to attempt to deliver exemplary service to our clients.

During the year, we enjoyed a number of events supporting Norwich Baroque and the Norfolk Ladies Cricket Team – thanks to those who came along to enjoy or cheer them along with us. I look forward to us supporting them throughout 2017 too.

The votes for Brexit and Donald Trump both surprised the markets and have led to significant volatility in investment pricing this year. As we have said in our earlier briefings, it is a time for cool heads and continuing to allow us to take a long-term investment view for you as we look to meet your objectives for the future.

No one has a crystal ball, so we continue to manage our investment portfolios across a number of different asset types, with that diversity helping to smooth out some of the further market volatility we are sure to witness as

we see the results of these recent decisions start to take effect.

## WHAT'S NEXT?

We are relocating our Ipswich team to a new office in the town based at Waterfront House along the water of the Neptune Marina. We'd love for you to come along and view the offices, and my team will send our Ipswich-based clients an invitation to a drinks reception in the New Year.

My team are here to help you *live the life you wish to live*. This is the mission statement of our business, and we are focussed on delivering it.

I hope you enjoy reading *Vision*, and, as ever, if you have any feedback or questions, please do not hesitate to contact myself or a member of my team. ■



The votes for Brexit and Donald Trump both surprised the markets and have led to significant volatility in investment pricing this year.



# SUPPORTING OUR COMMUNITY

Our latest sponsorship and activities



## SG WEALTH MANAGEMENT NORFOLK LADIES CRICKET TEAM

We're delighted to have the opportunity to work in partnership with the Norfolk Cricket Board earlier this year. We proudly sponsored the Norfolk Ladies Senior Team for the 2016 season. The team gained promotion to Division 3 of the Royal London Championship during the 2015 season, and for 2016 they faced some exciting and challenging fixtures, notably against Scotland, Netherlands and Durham.

Women's cricket is undergoing rapid growth in the country, led by Charlotte Edwards and her England Team. Norfolk is no exception where we hope that our County Team have another successful season to reinforce the work taking place in Norfolk currently. Norfolk is thriving with more women and girls playing the game than ever before! Best of luck to the team for their

fixtures in 2017. You can follow @NorfolkCB on Twitter for updates throughout the season.

## SUPPORTING THE ARTS: NORWICH BAROQUE

As we move into 2017, we again have the privilege to sponsor and support the wonderfully dynamic orchestra, Norwich Baroque. The ensemble will be performing a wonderful variety of themes in venues across Norfolk. They will also continue to perform in partnership with the choirs of Norwich Cathedral and Suffolk-based ensemble Seraphin.

Saturday 10 September 2016 saw us welcome over 500 people to the inaugural SG Wealth Management Gala Concert in the stunning surroundings of Norwich Cathedral. Guests were treated to outstanding performances by our guest soloists, violinist Adrian Chandler and cellist Kate



Bennett Wadsworth.

Stephen Girling, our Managing Director, commented, 'Many congratulations to Norwich Baroque who are this year celebrating their 10th anniversary of bringing such musical pleasure to so many of us. Business of course is about many things, but being part of a community and providing support and opportunity for people in the community is vital; not for self interest, but for the good of the whole. A vibrant community is a thriving community.'

We hope to see you at future Norwich Baroque Concerts across Norfolk in 2017. To find out more about the orchestra and view the concert schedule, please visit [www.norwichbaroque.co.uk](http://www.norwichbaroque.co.uk). Tickets for all events can be purchased from [www.ticketsource.co.uk](http://www.ticketsource.co.uk), or at The Maddermarket Theatre in Norwich on 01603 623524. ■



### Saturday 2 September 2017: SG Wealth Management Gala Concert

*Brandenburg Concertos. Bach's much loved Concertos 2, 3, & 4 with soloists Simon Munday, Catherine Matin, Joel Raymond, and Chris Hartland.*

# SPOTLIGHT ON...

Katie Jones, Ipswich-based Wealth Manager

## WHO IS YOUR ROLE MODEL IN BUSINESS, AND WHY?

Perhaps not so much a role model in business but a figure I admire and appreciate many of his attitudes is Richard Branson. He has a positive, can-do, young-at-heart attitude about him which appeals to me. His brands are strong and instantly identifiable with his personality. Despite his so-called 'disruptive talent' label, he understands that some people are square pegs in round holes and that talent comes in many different forms; we don't all do things in the same way but that needn't mean we can't all be great at what we do.

## WHAT MAKES YOU MOST PROUD IN LIFE?

I have to say that my children make me most proud. They are only 18 months and three years old but they amaze me every day in what they learn and how they develop. We certainly have our testing moments, but they fill me with love, pride and happiness every day.

## IF YOU COULD THROW ANY KIND OF PARTY, WHAT WOULD IT BE LIKE AND WHAT WOULD IT BE FOR?

This is a tough one! I absolutely love organising events and usually throw myself into planning them far more than is necessary. I'm a little bit of a perfectionist and once I get an idea in mind, I have to see it through! Whilst I enjoy formal affairs, I really do not think there is anything better than listening to live music outdoors in the summer sunshine. I am a great fan of Glastonbury and not only the eclectic mix of music and entertainment but also the great platform and awareness they raise for numerous charities. I think if I could organise any kind of party it would be something along these lines where friends and family can come together under the stars to enjoy good music, food, theatre and fun. I have long been a supporter of the



wonderful work of Oxfam and Save the Children charities, so raising awareness and fundraising for these charities would be fantastic!

## IF YOU COULD WITNESS ANY EVENT PAST, PRESENT OR FUTURE, WHAT WOULD IT BE?

An event in the not-so-distant past that I would have loved to have witnessed in person would have been the London 2012 Olympics Super Saturday. I watched at home as the excitement of that evening in particular unfolded and really wished I could have been in that athletics stadium soaking up the atmosphere. 2012 was a really special year: it seemed to be a year of endless celebrations as we enjoyed the Queen's Jubilee earlier in the year, the success in the Tour de France, and the excitement of the Olympics for which we held an Olympic flame party at our Ipswich office as the flame passed by us and into Christchurch Park. It was also the year I got married and discovered we were expecting our first baby. It was all in all a truly a magical year, and if I could go back to any time in the past, 2012 would have to be it!

## WHAT HOBBIES AND INTERESTS DO YOU GET INVOLVED IN OUTSIDE OF WORK?

Most of my time outside of work revolves around my children and their various activities. However, when I do get some free time I enjoy swimming and Pilates, and I also have a keen interest in nutrition and read a fair bit on this subject. I love to travel and have been lucky enough to visit some truly amazing places. We recently spent four wonderful weeks in California travelling the Pacific Coast Highway from LA to San Francisco and then over to Yosemite National Park. We hope to continue our adventures as the children get older. ■



# EMPTY NEST EMPTY WALLET

Parents putting financial health at risk to fund university costs

When it comes to funding a university education, it is parents and grandparents who typically look to provide the money. But even though this may be the case, last year's graduates from English universities are still left with an average of £44,000 debt (source: Sutton Trust), with some parents still, on average, expecting their children to leave university with £23,000 debt.

Students are closer to the mark, predicting an average debt of £35,000. Students expect, on average, to take 17 years to pay off their debt once graduated; research from the Sutton Trust suggests three in four graduates will be paying off student debts into their 50s.

## EMPTY NEST, EMPTY WALLET

While a substantial number of parents (61%) seem willing to help with the financial costs of university, rising to 73% for Londoners and a low of 47% in the South West, a significant proportion (78%) of these will be relying on their own cash savings.

Some 62% of parents say they will use a proportion of their cash savings, while 20% will be putting themselves potentially at financial risk, saying they or their child's other parent will use all or most of their cash savings. 9% of parents said they or their child's other parent would take out a bank loan in their own name to help fund their child's university costs – something that seems

particularly drastic – and 8% of parents said they would sell shares or other financial investments.

## PARENTS OVERESTIMATE AMOUNT NEEDED FOR REGULAR SAVING IN STOCK MARKET

Most parents look to cash savings to fund their children's university costs, and there is a perception that quite large sums of money are required to invest in the stock market. Parents estimated, on average, that the minimum amount required to invest monthly in an investment saving scheme was £81.51 per month, when in fact the minimum amount required to invest in a children's investment company savings scheme is much less, namely £25. Parents in the 35–44 age bracket overestimated this figure the most (£91.76 per month), and of course it's this group who are likely to have the most time on their side.

The research suggests that many parents massively underestimate the amount of student debt their children will graduate with. Parents are willing to make huge financial sacrifices to help their children through university, and many grandparents are sharing the financial burden.

## BANK OF GRANDMA AND GRANDPA

A fifth (20%) of grandparents are contributing or planning to contribute to children's university costs,

to the tune of £2,402 on average per year. A quarter (25%) of grandparents are already contributing financially to everyday family expenses, and of these 12% of parents say that their child's grandparents currently contribute financially to holidays, 4% to school fees, and 3% respectively to building projects and childcare, while 2% are contributing to a property deposit.

## AN EDUCATION OR A FIRST HOME?

Interestingly, one third of students (33%) said that they had a savings and investment scheme which their families had 'earmarked' for their future. Half of these (51%) wanted the money to go towards their first property, 44% wanted to spend it on university costs and a free-spirited 16% wanted to spend the money on travelling. ■

Source data:

The research was conducted by Opinium from 8–16 June 2016 amongst 1,006 UK parents with children aged 13–18 who are planning to go to, or are already at, university, and 1,014 UK full-time students planning on going to, or currently at, university.

INFORMATION IS BASED ON OUR CURRENT UNDERSTANDING OF TAXATION LEGISLATION AND REGULATIONS. ANY LEVELS AND BASES OF, AND RELIEFS FROM, TAXATION ARE SUBJECT TO CHANGE.

THE VALUE OF INVESTMENTS AND INCOME FROM THEM MAY GO DOWN. YOU MAY NOT GET BACK THE ORIGINAL AMOUNT INVESTED.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE PERFORMANCE.



**WANT TO ASSESS THE OPTIONS AVAILABLE TO YOU?**

Current university students may face leaving with massive debts as well as a degree, but parents can act now to ease the financial burden. It's crucial not to be afraid to seek professional advice. We can assist you to get a clearer idea of the opportunities and drawbacks involved in making further education-related choices. If you would like to assess the options available to you, please contact us for further information.

# PENSION REFORMS

How the lifetime allowance reduction could impact on your retirement savings



The Government has introduced comprehensive reforms to the pension rules over the previous few years. One important change, which may have been overlooked by some savers, is the reduction of the lifetime allowance that applies to pension savings. The lifetime allowance is the total amount you can hold within all your pensions without incurring an additional tax charge when you extract money from the pot.

## INFLATIONARY INCREASES

The Government has indicated that this allowance will increase each year in line with inflation (CPI) but only from 6 April 2018. It was reduced from £1.25m down to £1m from 6 April 2016. If you have more than £1m in your pension pot or are likely to do so at retirement, you can apply to protect it against reductions to the lifetime allowance.

## TAKING ACTION

While some people may not be affected by the lifetime allowance, it's important to take action if the value of your pension benefits are approaching, or are above, the lifetime allowance. As pensions are a long-term commitment, what might appear

modest today could exceed the lifetime allowance by the time you want to take your benefits.

## TAX CONSEQUENCES

Exceeding the lifetime allowance could have significant tax consequences, for example, any lump sum withdrawals you take from the excess amount within your pension are taxed at 55%, and if you retain the excess amount within your pension fund a 25% tax charge is made (and any income taken from the fund will be taxed at your marginal rate of Income Tax).

## FIXED PROTECTION

If you could be affected by the reduction in the lifetime allowance, there are some actions you could take to help protect yourself from this potential tax charge. However, if you have accrued pension benefits since 6 April 2016, fixed protection will not be available, so you should obtain professional financial advice to look at the options available to you.

## TAKING BENEFITS

If you are already taking benefits from a pension,

this will also impact your lifetime allowance. It is important to note that the allowance applies to the value of your pension when you eventually come to draw money from it (and not the value on 6 April 2016). This means that even if your pensions are currently worth well short of the new £1m limit, you could still be affected by the reduction and may need to take action now, even if you think the reduction does not currently really affect you.

## HIGH EARNERS

Another pension change which came into effect from 6 April 2016 is a reduction to the annual pension contribution allowance (the amount you can pay into your pension pot each year) for high earners. The allowance of £40,000 will reduce by £1 for every £2 of income received above £150,000 (the threshold for the additional rate of Income Tax). The reduction is limited to £30,000, meaning anyone with income of £210,000 or more will have a £10,000 annual contribution allowance. Bear in mind that 'income' for this purpose includes employer pension contributions. ■

A PENSION IS A LONG-TERM INVESTMENT. THE FUND VALUE MAY FLUCTUATE AND CAN GO DOWN, WHICH WOULD HAVE AN IMPACT ON THE LEVEL OF PENSION BENEFITS AVAILABLE.

YOUR PENSION INCOME COULD ALSO BE AFFECTED BY INTEREST RATES AT THE TIME YOU TAKE YOUR BENEFITS. THE TAX IMPLICATIONS OF PENSION WITHDRAWALS WILL BE BASED ON YOUR INDIVIDUAL CIRCUMSTANCES, TAX LEGISLATION AND REGULATION, WHICH ARE SUBJECT TO CHANGE IN THE FUTURE.



## ARE YOU IN DANGER OF BREACHING THE ALLOWANCE?

*While £1m may sound like a generous sum, it is surprisingly easy to breach this limit, meaning that you could be subjected to a tax bill of up to 55% on some of your pension pot. Whether you're a saver in the middle of your working life or nearing retirement, it's crucial you know if you're in danger of breaching the allowance. If you have any concerns and would like to discuss your situation, please contact us.*



# PENSION DEATH BENEFITS

## What are your options?

Irrespective of when you die, you can now pass your pension fund onto the next generation free of tax, with your intended beneficiaries being able to retain the value of the fund within a pension wrapper.

### IF YOU DIE BEFORE AGE 75:

Lump sum death benefit paid from the pension fund	This will be paid to your beneficiary tax-free.
Income taken from the pension fund	Any income paid to your beneficiary will be paid tax-free. The option is available to any beneficiary, not just a dependent.
No benefits taken from the pension fund	The fund value continues to grow in a tax-efficient environment; capital or income can be drawn tax-free, with the value on death being passed on to future generations as nominated by your beneficiary.

### IF YOU DIE AFTER AGE 75:

Lump sum death benefit paid from the pension fund	Any income paid to your beneficiary will be taxed at their marginal rate of Income Tax. The option is available to any beneficiary, not just a dependent.
Income taken from the pension fund	Any income paid to your beneficiary will be taxed at their marginal rate of Income Tax. The option is available to any beneficiary, not just a dependent.
No benefits taken from the pension fund	The fund value continues to grow in a tax-efficient environment; capital or income can be drawn taxed at your beneficiaries' marginal rate, with the value on death being passed on to future generations as nominated by your beneficiary.



*Pension death benefits may be subject to a Lifetime Allowance tax charge.*

*Pension death benefits can be paid in varying ways depending on the provider of, and type of, pension rights you hold. If you would like to review how death benefits will be paid from your pension arrangements, please speak to your Wealth Manager.*

**David Tooley APFS**





# PLANNING FOR THE FUTURE

How to alleviate practical complications

Many people choose not to think about the issues that they might one day face in later life, especially in terms of health-related matters or loss of mental capacity. Many of us may live to old age without suffering any problems – or equally be unfortunate enough to encounter such challenges at any time of life – but as always simple planning for the future can alleviate a lot of practical complications.

## LASTING POWER OF ATTORNEY

A Lasting Power of Attorney (LPA) is a legal document that allows someone (the 'donor') to give authority to a third person (the 'attorney' or 'donee') to make certain decisions on their behalf. An LPA is used when that person is unable (or sometimes simply does not wish) to make certain decisions for themselves. An attorney is anyone you choose and trust. He or she must consider your best interests when making a decision on your behalf. There are two distinct parts to an LPA: one covering Financial and Property Matters and the other Health & Welfare issues, and it is the financial type that we have most to do with in our world.

## WORKING WITH ATTORNEYS ON BEHALF OF CLIENTS

Over the years, I have worked closely with appointed Attorneys, often close family members or friends, but sometimes professional advisers

such as Solicitors, on behalf of clients. The legal considerations make it clear that someone acting as an Attorney has to act in that person's best interests (a fairly obvious point, you might think), though people are not always aware that a properly qualified Adviser with specialism in this field can assist them in carrying out their obligations.



**A Lasting Power of Attorney (LPA) is a legal document that allows someone (the 'donor') to give authority to a third person (the 'attorney' or 'donee') to make certain decisions on their behalf.**

#### WHO NEEDS OUR HELP?

A typical example can be an elderly person, where age-related conditions can have made it difficult for them to manage their own affairs, often meaning that the need for regular care support in their own home – or in a residential care setting – has become necessary. Regularly we encounter relatives and friends who are in some distress at the time of our initial discussions as they may have read about 'elderly people's homes being sold to pay for care' or have concerns over the availability, suitability or standards of the care services that have been identified as appropriate. As a lot more people reach 'older old age' nowadays (and also younger adults suffer with conditions that make the help of an Attorney a necessity), fortunately there are many empathetic professionals that can help with advice and guidance at difficult times.

#### MEETING LIFETIME CARE COSTS

The financial assessment process and rules over funding of a person's care mean that an individual with assets and resources of over £23,250 will normally have to either contribute to their costs – or pay them in full. Our task as financial planners is to work with the Attorney/s to address the most suitable way of meeting lifetime care costs. In some cases, there will be pensions and annuities already in payment and benefits

such as Attendance Allowance coming in. Our job is to look at a person's outgoings (the total of care costs and other living costs), and, once the total regular income is known, assess what the 'shortfall' is that will need to be provided to pay the bills on a monthly basis.

#### USING A PROPERTY TO PAY FOR CARE COSTS

Properties can sometimes be used to cover care costs on a 'deferred payment arrangement' basis where local authorities are satisfied that the owner qualifies for this option, but otherwise they tend to be let out for the rental income that they contribute if this is viable. In many cases, if a homeowner has moved permanently into a residential care setting, where no spouse or dependant relative continues to require it, Attorneys may be involved with the sale of the person's former residence. This may often mean that a lump sum of capital has to be invested, with a requirement to produce growth to support regular fixed withdrawals of income on a monthly basis to the bank account from which the Attorney settles the bills.

#### PROVIDING OUR ADVICE TO THE ATTORNEY

Where possible, part of our planning may involve setting aside a 'cash reserve' i.e. a significant lump sum that represents a multiple of the 'shortfall' figure (for example, two or three years' worth, perhaps) to be held in a bank or building society account. This would be the 'short-term' sum to be drawn upon when topping up the bank account, allowing the remainder of the capital to be deployed in investments to achieve the objectives. Our discussions, as ever, involve a good deal of consideration and assessment of the investor's approach to investment risk and return and the carefully structured process associated with arriving at this. The advice is given to the Attorney, of course, who has to be very much focussed on the needs of the person that has set up the LPA, above all else.

#### MY FINAL THOUGHTS...

Experience in many cases of this nature over the past fifteen years has taught me a lot about the concerns that families face: how often inaccurate

and alarming coverage that people may have seen in the media can 'muddy the waters' and the complex nature of dealing with local authorities and social services on occasions. Importantly, things often work out well when financial advisers and solicitors work together on a client's behalf from the outset, providing much-needed guidance to Attorneys that can reduce much of the anxiety.

In the legal and financial advisory sectors, groups such as the Society of Later Life Advisers (SOLLA) or Solicitors for the Elderly (SFE) exist to encourage membership within the professions that are closely involved in this type of advice. Financial advisers that operate in this specialist area should hold the Chartered Insurance Institute's CF8 Long Term Care qualification by examination.

In addition, prominent voluntary groups and charities, such as Age UK, offer many helpful resources, either directly or through their websites. ■

*John Griffin*  
*DipPFS*  
*(CF8 Qualified*  
*Adviser)*



# INHERITANCE TAX PLANNING

Few taxes are quite as emotive – or as politicised – as Inheritance Tax



Historically, Inheritance Tax (IHT) planning used to be an activity confined to the very rich. However, growing affluence means that this is no longer the case. Even families and individuals with a relatively moderate level of wealth should consider planning ahead to ensure that their assets are passed on to their loved ones as efficiently as possible.

Property price increases have dragged many middle-class working families into the IHT bracket. The Office for Budget Responsibility (OBR) calculates that 4.8% of the population currently pays IHT. By 2018/19, it estimates that figure will have more than doubled to 10%. Many argue that the threshold should at least rise each year in line with inflation, but now the rate has been fixed since 2009.

Effective estate planning is about getting the right balance between maintaining access to your money when you need it and saving tax. This is because, in general, the more tax-efficient a solution is, the less access you have to your assets. Safeguarding your own financial future is very important, and giving too much away could put this at risk.

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Effective estate planning is about getting the right balance between maintaining access to your money when you need it and saving tax. This is because, in general, the more tax-efficient a solution is, the less access you have to your assets.

The best way to avoid paying any IHT is to reduce your estate value to below the current £325,000 IHT threshold, but this is not practical for many people. New changes to pension legislation could also offer a way around IHT. Since 6 April 2015, pension pots are no longer subject to a 55% tax when passed on to loved ones after the saver dies.

This means that any funds in a pension pot can be passed on to a named individual without any tax implications if they die before the age of 75. In some situations, it may be appropriate to



## PROTECTING AND PRESERVING YOUR WEALTH

*One thing is certain: you should obtain professional financial advice if you have any concerns about how to mitigate IHT. To find out more about our services, or to discuss how we could help you to protect and preserve your wealth, please contact us. We look forward to hearing from you.*

consider transferring all your non-pension assets to fund your pension. By shifting your savings into a drawdown scheme, they will no longer be included in your final estate valuation, and therefore will avoid IHT.

This is a very complex area of financial planning, and despite all the options available, unless you give your home away, it may be difficult to avoid IHT on what is probably your most valuable asset. ■



# TOP SPRING DESTINATIONS

The perfect time for a family holiday in the sun

Spring is often overlooked when it comes to booking a holiday. However, there are some great options available, and for many it's the perfect time for a fun family holiday in the sun before the mad rush of the summer begins. But where is hot in the spring? Here is SG Wealth Management's guide to the top spring holiday destinations.

## FLORIDA

Whether you're looking to soak up the sun on the beach, shop 'til you drop at a huge mall or feel the rush of adrenaline at an action-packed theme park such as Universal Orlando, Florida is an excellent choice for a spring getaway.

## CANARY ISLANDS

Endless stretches of golden beaches, fantastic water parks, excellent excursions and guaranteed



sunshine – what more could you want? Tenerife, Gran Canaria, Lanzarote and Fuerteventura all boast temperatures in the low-to-mid 20s during spring.



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A tropical escape where India meets Portugal, the colourful state of Goa is the ideal place to be getting your fix of spring sunshine.

## EGYPT

The Red Sea is perfect for diving at this time of year. Venture further afield on an excursion to Cairo or Luxor and delve into the country's rich history. Or you could always just stay on your sunbed and sip on a refreshing cocktail.

## GOA

A tropical escape where India meets Portugal, the colourful state of Goa is the ideal place to be getting your fix of spring sunshine. Indulge in mouth-watering local delicacies or feel truly relaxed practising yoga on the white, sandy beaches.

## CUBA

Why not treat yourself to a Caribbean holiday that's steeped in history and culture? Explore caves and cliffs around the stunning beaches of Varadero before heading to the capital city of Havana to share a glass of Cuban rum with the locals.

## TUNISIA

The warm North African sun makes an easy task of lounging by the pool all day. If you can drag yourself away, make the most of some relaxing and indulgent spa treatments that so many of the luxurious hotels have to offer. ■

# A PASSAGE TO INDIA

A round-up of Neil Shillito's recent business trip



LEFT: Pictured here is Kalyani who has benefited by micro finance to raise poultry for eggs and meat and with the income can now rent a loom and generate more income from her weaving.

ABOVE: Meeting people in one of the very poor areas of Mumbai to see the magnificent work of one of the local charities supported by NGOs and also Glenmark, a pharmaceutical company.

Not quite EM Forster's epic tale of love, passion and intrigue in the days of the Raj, but one of our Directors, Neil Shillito, visited India in late November to meet a number of companies we are invested in and also to see first hand the work of the Shivia Charity ([www.shivia.com](http://www.shivia.com)) and Hand in Hand ([www.handinhandinternational.org](http://www.handinhandinternational.org)), both of which provide support to the very poorest of individuals and communities through, for example, the provision of micro-finance to give them the first step on the ladder toward education and economic self-help.

A typical example of how this works on the ground is the example of Kalyani who is aged 30 and lives just outside Kolkata (see photo). She has two young children aged eight and ten and until recently had virtually no income to support her family. With Shivia's help and the provision of a Poultry Toolkit, she has built a small coop and is now able to sell eggs and chickens to the market, and with the money generated she has rented a loom and is now making additional money from weaving. Kalyani says: 'I had nothing to do before Shivia introduced me to poultry farming. Now I am a full-time income earner for my family, and I am very proud of my achievement.'

The trip was organised by Alquity

([www.alquity.com](http://www.alquity.com)), a London-based investment company which specialises in areas such as the Far East, Africa and Emerging Markets such as Latin America.

Alquity is already making an impact. Its model is based on a Virtuous Circle which delivers attractive investment returns, enhanced by focusing on companies who respect Environmental, Social and Governance issues, and then builds up the economies from the grass roots by donating up to 25% of fee revenue to support microfinance projects and create jobs.

In the four days Neil was in India, he met the senior management of a number of companies in order to get a better understanding of what it's like to run and invest in an Indian-based company and also meet brokers and gain an insight into India's business environment. In addition to these business meetings, he also went on a number of site visits to the factories to see first-hand the businesses' responsible credentials in action and meet the wider team. ■



You can see all the detail of Neil's trip on his Instagram account

@NeilShillito.





# WHAT IS GROUP LIFE COVER?

One of the most highly-valued employee benefits a company can offer

**G**roup Life insurance is a type of life protection in which a single contract covers an entire group of people.

Often referred to as 'Death in Service', it covers staff if they were to die at anytime whilst employed by your business – not just when they are at work.

Life insurance is one of the simplest but most highly-valued employee benefits that a company can offer to its staff because quite often no medical underwriting is required. If an employee were to die, the life cover you put in place for them would help ensure their family could cope financially – relieving money worries at a very difficult time by providing a tax-free lump sum. Under certain circumstances, an insurer may also consider paying out the benefit while the employee is still alive.

Life cover has always been an expected and valued employee benefit, as well as inexpensive to provide. It can assist in attracting and

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retaining talent within your business, while at the same time demonstrating that you are a responsible and considerate employer.

Benefits are normally based on the employee's earnings (up to 12x annual salary but typically around 4x) or can provide a fixed amount for everyone i.e. £100,000.

The Insurer will often provide a 'Free Cover Limit'. Providing the sum assured for the individuals is under this limit, there will be

no medical underwriting for your employees. You will need to declare information about any employees who, to the best of your knowledge, have any life-threatening conditions though.

The employer will pay the cost of the premiums and the policy renews on an annual basis.

The cost of providing £50,000 worth of life cover for six employees, with no medical underwriting and aged between 16-64, would be £75 per month\*.

## BENEFITS FOR EMPLOYERS

- A more competitive and attractive benefits package helps recruit and keep the right staff.
- Premiums will normally qualify for tax relief depending on scheme choices.
- Usually costs less than 1% of payroll depending on the level of cover.

## BENEFITS FOR EMPLOYEES

- Peace of mind for them and their loved ones.
- Lump sum benefits can be paid without waiting for probate and free of Inheritance Tax.
- This valuable cover is not classed as a benefit in kind, meaning no Income Tax is payable by the employee.
- Employees are able to nominate their preferred beneficiary.
- Quite often, no medical underwriting is required



For further information please do not hesitate to contact Ryan Oates on 01603 760 866 or [enquiries@sgcorporateservices.co.uk](mailto:enquiries@sgcorporateservices.co.uk). [www.sgwealthmanagement.co.uk](http://www.sgwealthmanagement.co.uk)  
\*Eligibility Conditions Apply



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