

MONTHLY MATTERS

DECEMBER 2024



Wealth Matters

CELEBRATING 25 YEARS



What a year 2024 has been! We've had a blast celebrating our 25th birthday with you, as well as numerous exam successes and award wins. It has certainly been a year to remember.

Looking back on the year, we've managed to distil our year down to a short "2024 in numbers":

- 25 - the number of years we've been in business
- 22 - the size of the Wealth Matters team!
- 15 - the number of snacks Toby has successfully stolen (lest we forget the entire pizza)
- 15 - charities supported this year
- 1 - new partner
- 28 - our best guess at packets of biscuits munched during meetings
- 3 - new qualifications across the team
- 1,036 - interactions on our LinkedIn page
- 128 - hours of work donated to charity through volunteering

We did try to calculate the number of barks Toby has directed at the postman, but concluded that it was too high to even guesstimate.

In this newsletter, you'll find information on our upcoming webinar, an article on gifting, our latest award, a rundown of our charity activity this year, the team's personal and professional highlights, and of course, a festive Toby's Tales.

As a reminder, we will close at 12:30pm on Christmas Eve and will reopen as usual on 2 January 2025.

All that's left for us to do is to wish you and your family a joyful festive season. We'll see you in the new year.

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WEBINAR

How the Budget changes affect your planning

Wednesday 12 February • 7:00pm

Hosted by:

- **Julian Gilbert**
Founder & Certified Financial Planner
- **Katherine Pautard**
Partner & Chartered Financial Planner



[CLICK HERE TO REGISTER FOR THE WEBINAR](#)

We're delighted to announce our next webinar, hosted by our founder, Julian Gilbert, and Katherine Pautard, company partner and Chartered Financial Planner. They will be tackling the effects that the Budget changes may have had on your planning and what we can do to mitigate their impact.

There's a lot to cover, including:

- Tax changes
- Pensions being brought into estates for inheritance tax purposes
- How to think about passing on your wealth

Additionally, we will be joined by industry experts who will share more detail on the specific tax implications. These speakers will be announced in due course.

The webinar will last around 60 minutes, is free to attend and will offer the opportunity to post questions both prior and during the event, time permitting. Questions asked in advance are more likely to be answered within the allotted time, so we encourage you to pre-submit your questions where possible.

Estate Planning Achievement of Excellence Award 2024

We're thrilled to have received an award from Solidus, experts in estate planning and Trusts, for an Achievement of Excellence in our estate planning services.

It's a real honour to be recognised in this way - if you attended Bruce Nash's recent webinar on estate planning, you'll know just how important this process is for protecting your wealth as you pass it on to the next generations. We know we do a great job of it, but having it acknowledged by Solidus is a wonderful affirmation that we're truly doing the very best for our clients in this regard.





How to reduce your IHT by gifting out of your income

by Chris James

In last month's newsletter, we looked at the importance of estate planning. This topic is front of mind for many following the changes to inheritance tax (IHT) announced in the Autumn Budget and in particular with the proposed changes with regards to pensions and Inheritance Tax. If you have worked hard in your lifetime to build a legacy, the thought of handing over 40% of it to the tax man upon your death probably feels rather galling.

Despite the changes, there are still many ways to pass on your wealth tax efficiently. One of these is by gifting out of your income during your lifetime, rather than waiting to pass it on after your death. It's a highly effective way to pass your wealth onto your loved ones, but there are a few rules and tips to keep in mind.

HOW DOES IT WORK?

If you have surplus income that you don't need for your day-to-day expenses, you can give it away tax-free. These gifts made out of your income are exempt from IHT, without the need to wait the usual seven years for them to leave your estate. As you would expect, there are certain rules that apply to gifting out of income.

Firstly, the gift must be made out of your income, rather than being funded from your capital. It needs to be part of a regular pattern of giving, such as a monthly or annual payment, rather than just a one-off here and there (which would be subject to the seven year rule).

Secondly, after the gift is made, you must be left with enough income to maintain your normal standard of living. If you gift yourself into hardship, it's likely to be flagged by HMRC as a set of abnormal transactions.

It is highly advisable to document the gifts well, to demonstrate that they are gifts from income in the event of your estate being contested by HMRC. You'll need to clearly document your income, expenses, and the gifts made; show a pattern of regular gifting; and maintain evidence that your standard of living is unaffected.

By meeting these criteria, the gifts reduce the value of your estate for IHT purposes without using up your annual exemptions or seven-year rule thresholds.

HOW COULD THIS LOOK IN PRACTICE?

Imagine you have an annual after-tax income of £100,000 and annual living expenses of £60,000, leaving a surplus of £40,000. You could gift part or all of this £40,000 each year to family members. If properly documented, these gifts would immediately fall outside your estate for IHT purposes, saving 40% IHT on the gifted amount.

BENEFITS OF GIFTING OUT OF INCOME

This method has five key advantages:

1. Unlike larger lifetime gifts (which may be subject to the seven-year rule), regular gifts out of income are immediately exempt from IHT.
2. There's no upper limit to the amount you can give, so long as it satisfies the rules in the section above.
3. You can combine gifts out of income with other exemptions, such as the annual gift exemption (£3,000 per year) or small gift exemption (£250 per person per year), which allows you to maximise the amount you can gift tax-free.
4. The value of your estate will reduce and may help to bring it below the IHT threshold.
5. Since the gifts are made during your lifetime, you have the pleasure of seeing it put to good use (and perhaps even providing a guiding hand to help your beneficiaries manage the funds).

WHAT NEXT?

Giftng out of income can be a really smart way to reduce your inheritance tax liability whilst still passing on the wealth to your intended beneficiaries. However, you should consult your financial planner before making any changes or rearranging your income to allow for this.

If you're not sure if you can afford to gift away, your financial planner can run a cashflow model for you to map out the scenarios available to you.

Get in touch with us on info@wealth-matters.co.uk or 01582 720 511 if you would like to talk about including gifts out of income in your estate planning.

End of tax year is fast approaching

The end of the tax year is just around the corner, which means it's time to take action if you haven't already made full use of your allowances.

Your adviser will be in touch with you in due course - however, if you know you will be making a contribution - for example, if you are due a company bonus shortly before tax year end - please let your adviser know sooner rather than later. The earlier we can prepare, the better.



DATE FOR YOUR DIARY
5 April 2025 is the
end of the 2024/25
tax year

Our year in donations

As you probably know by now, we have a thriving philanthropic culture at Wealth Matters. Not only do we raise money with our sponsored walks and bike rides, we also use company hours to volunteer our time, too.



GIVING MATTERS

Additionally, we have also committed to an in-house philanthropic scheme for our staff. Every month, we donate funds to a charity nominated by one of our colleagues, as well as a larger grant to a worthy cause chosen by the winner of our Employee of the Year Award.

We are thrilled to report that we've supported a total of 15 charities this year across all of our charitable activity, donating a total of almost £4,000.

These are the charities we've supported this year - you can click on the name of any of them to go to their website and learn more.

- [Oracle Cancer Trust](#)
- [Trussell Trust Food Banks](#)
- [Prostate Cancer UK](#)
- [Men in Sheds MK](#)
- [Bedfordshire and Luton Community Foundation](#)
- [Women's Aid](#)
- [National Suicide Prevention Alliance](#)
- [Lewy Body Society](#)
- [Keech Hospice Care](#)
- [RSPCA](#)
- [Cancer Research UK](#)
- [Blood Cancer UK](#)
- [Black Equity Organisation](#)
- [Rainbow Children's Charity](#)

If you would like to make a festive contribution to our fundraising efforts, your support would be greatly appreciated by us and by the charitable causes we support. You can do so by visiting our donation page via the button below.

CLICK HERE TO VISIT OUR DONATION PAGE

Employee of the Year

We are exceptionally proud of the team we've built at Wealth Matters. Our standards are high and the workload is busy, so the people who join our team have to be the very best of the best if we're going to trust them with our valued clients.

The management team decide on Employee of the Year every year and it's always a difficult decision, since we're faced with such a talented team! However, we agreed that this year, the accolade should go to Bruce Hallman, our Head of Investment Planning.

We awarded Employee of the Year to Bruce in recognition of the fantastic work he has done behind the scenes for our Co-Manufacturing service on WRAPS+. A lot of work has gone into this project and Bruce has been instrumental in making sure it all happened smoothly and with top notch accuracy.

Not only does Bruce do an incredible job in investment planning, he also is a fantastic paraplanner who encompasses all of our company values and helps his team at all times.

So, on behalf of all at Wealth Matters: thank you, Bruce!



Good Egg(s) of the Year

Whilst the management team choose Employee of the Year, the rest of the team get to vote for their Good Egg of the Year.

The Good Egg award goes to someone (or, this year, two someones!) who strongly encompasses our core values. The Good Egg communicates well with their teammates, is reliable, accountable, and respectful, has a positive attitude, creates a great working environment, and goes above and beyond without being asked.

This year, we have two joint winners, as voted for by their colleagues - Thusha Thurairatnam, Paraplanner, and Alison Howe, Client Relationship Manager. Congratulations to both!



Our team's highlights of 2024

As 2024 draws to a close, many of us are reflecting on the year gone by. We believe it's important and beneficial to regularly stop and take stock of one's achievements – in the hustle and bustle of everyday life it's easy to forget to celebrate the wins as they happen.

In that spirit, we asked the team to reflect on their personal and professional highlights from 2024. Here's what they said.



"My personal highlight of the year was climbing Ben Nevis!

And my professional highlight has been meeting several clients who I've worked with for years but have never actually met in person."

Alison Howe

Client Relationship Manager

"Celebrating an incredible 25 years with my amazing team members with an overnight stay at The Elvetham Hotel. We had so much fun dancing the night away. It's an incredible achievement for the business and its so wonderful to spend time with my colleagues outside of the office. "

Francesca Case

Business Manager

"My professional highlight was having a successful first year for our WRAPS+ DFM service, working alongside our co-manufacturer Timeline Portfolios."

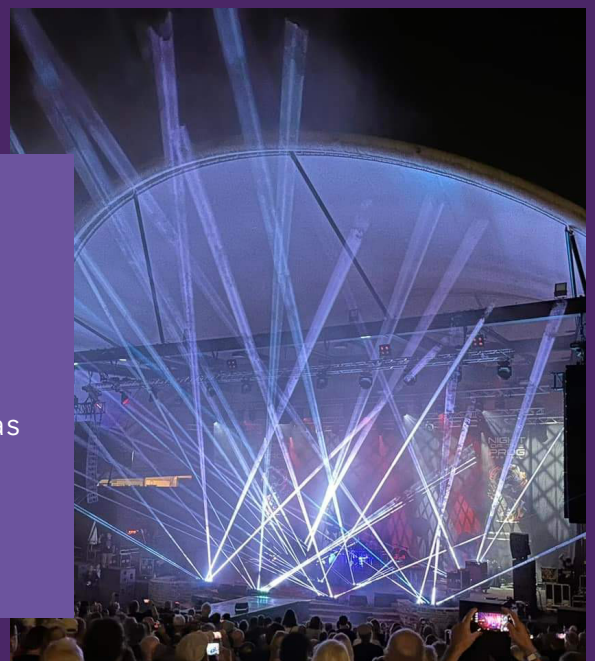
Bruce Hallman

Head of Investment Planning

"My personal highlight of the year was a week in the Rhine Valley in Germany to attend the final Night of the Prog music festival at Loreley. Highlights were the bands Riverside, Meer and Big Big Train and the sunset we saw above the Rhine from the venue on the Saturday evening was stunning."

David Hedgcombe

Executive Assistant



"Personal highlight of the year - went to Japan in October which was a bucket list country and enjoyed the trip!

Professional highlight of the year - became certified this year by completing the CISI's level 7 Diploma in Advanced Financial Planning case study which was very challenging, especially to study alongside work and personal commitments."

Thusha Thurairatnam

Paraplanner

"Going on a Caribbean cruise - not my first cruise but the first time in the Caribbean and it was amazing. The weather was fabulous, the sea was calm and perfect, the islands we visited were gorgeous, the ship was fantastic - definitely recommended.

As for a professional highlight: I dealt with the longest pension transfer ever. It took over a year to finalise but finally after a lot of to- and fro-ing, numerous email exchanges, and a lot of phone calls, the transfer was finalised. A huge sigh of relief all round!"

Debbie Pacey

Client Relationship Manager

"Highlight for me is definitely being made Partner this year, it was an amazing achievement for me in 2024, after focusing on studying for the last few years and of course being able to support my clients during the year and for many years to come."

Katherine Pautard

Partner & Financial Planner



"A family holiday to Lanzarote was my personal highlight. Work-wise, passing the J12 exam."

Chris James

Chartered Financial Planner



"Going on my first motorbike tour in June around the Island of Wight with my twin brother and best mate, Graham. It was a long standing "life goal" and achieved only 6 months after I got my bike licence. We were blessed with great weather and had a fab time. I'm already looking forward to my tour in 2025, as we're off to the Picos de Europa mountains in Northern Spain.

My work highlight was celebrating Wealth Matters' 25th birthday, with all the WM team, on a special and very memorable weekend stay at The Elvetham hotel, in Hook. It was a fabulous surrounding and a lot of fun."

Bruce Nash

Director & Chartered Wealth Manager

Dog Tales

The festive period is one of excitement, family, and joy for many of us. It's also a time of reflection for many as the new year draws nearer. Toby is no exception to that.

As we set our personal and professional goals for 2025, we realised that we could learn a thing or two from our Morale Officer.

He lives his best life every day. He is beloved and everyone is always happy to see him. He's chipper when we need a pick-me-up, he's loyal, and he knows exactly what he wants (most often it's food, but that's besides the point!).

He's had an excellent year himself, filled with lots of trips away with the family, snacks, belly rubs, ear scratches, putting the postman in his place, warm naps in the sun, and stolen sandwiches.

Frankly, we'd say Toby has this life thing all figured out.

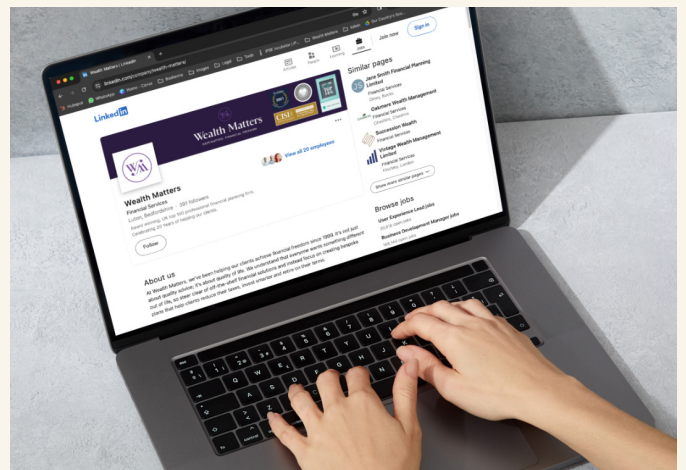
Next year we're resolving to Be More Toby, and we encourage you to be, too.



Keep up to date with us on LinkedIn

If you don't already follow us on LinkedIn, then you're missing out! We would love to connect with you over there, so that you can keep up to date with all our latest news, articles, and updates from the team - just click the button below to go straight to our profile.

Click here to connect with us on LinkedIn



Wealth Matters
CELEBRATING 25 YEARS

If there is anything you wish to discuss with your Financial Planner, please do not hesitate to contact us.

Email: info@wealth-matters.co.uk • **Tel:** 01582 720511

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