

MONTHLY MATTERS

SEPTEMBER 2024



Wealth Matters

CELEBRATING 25 YEARS



Introduction

We thought last month was a bumper issue of team news, but we might have outdone ourselves this time around.

As we head into a very busy period of the year, we're pleased to be celebrating some fantastic achievements among our team. Chiefly among them, we've just welcomed a member of the team on board as our new Partner of the company. Read on to find out all about this new appointment.

In money matters, there is still time to register for Bruce Nash's upcoming masterclass webinar on the topic of 'Later Life Planning'. Elsewhere, Chris James and Carmen Bacaoanu have penned an insightful article on how pensions and tax connect, and what you might consider doing before anything potentially changes in next month's budget.

In team news, recent exam success means we've now got five certified members within the Wealth Matters team, which is an incredible achievement that we couldn't be prouder of. We've also got a recap of our wonderful bike ride fundraiser, complete with a short video of the day, and an update on our fundraising total.

Finally, read about our recent company day out, and hear what Toby has to say about planning for later life.

Without further ado, let's dive in. We hope you enjoy this newsletter.

WHAT'S NEW

ANNOUNCEMENTS

We've appointed a new Partner

MONEY MATTERS

Masterclass Webinar:
Later Life Planning
How pensions and tax connect

TEAM NEWS

Exam success
Our Company Day Out
Charity bike ride

DOG TALES

What has Toby been up to?

We've appointed a new Partner

We are pleased to announce that Katherine Pautard, one of our esteemed financial planners, has become a Partner of Wealth Matters.

Having initially joined Wealth Matters in 2019 as a paraplanner, Katherine has gone from strength to strength and within just three years achieved both her CISI Level 7 Advanced Diploma in Financial Planning and her Certified Financial Planner designation.

She has made a phenomenal impact, both among her clients and within the business itself, and we are delighted to welcome her into senior management as a Partner.

"Wealth Matters have been dedicated to my development since joining in 2019 and it is an honour to work with such talented individuals and of course, my amazing clients. I feel lucky to do a job that I love and stepping up to Partner is another milestone that I have achieved whilst being at Wealth Matters. I look forward to continuing my career here," she told us.

Julian Gilbert, our founder, said of her appointment:

"I am really pleased to welcome Katherine as a Partner. Since she joined Wealth Matters in 2019 I have been consistently impressed by her empathy with clients and her dedication to championing holistic financial planning. She deeply understands the value of being highly qualified and has worked hard to achieve this.

Katherine's great values, ambition, and growth mindset perfectly reflect the kind of company we are and want to continue to be in the future. This feels like a very natural progression in her career with us, and I am confident that she will do a fantastic job at helping to lead Wealth Matters on its continued growth journey."

If you are a client with Katherine as your adviser, please rest assured that nothing will change in regards to your work with her. Katherine will be advising clients as usual.

Please join us in extending a hearty and well-deserved 'congratulations' when you next see her.



Katherine and Julian on the Wealth Matters fundraising walk in 2023.



Katherine with our Head of Paraplanning, Carmen Bacaoanu, after they both passed their Level 7.



Our fifth certified team member

This has been a month filled with excellent news! We are proud to announce that our paraplanner, Thusha Thurairatnam, has passed her CISI Level 7 Advanced Diploma in Financial Planning, making her the fifth member of the Wealth Matters team to have done so.

Thusha has put in over 200 hours of study, culminating in a case study exam which she called "one of the hardest exams [she has] done".

"The case study involves looking at all areas of financial planning for a client and ensuring there is a plan to meet all client's goals in order of priority", she explained.

"In summary, it was a very complex puzzle that needed to be solved, so that the client could be financially independent. Having gone through the certification, I feel I'm now really well placed to look at client's financial goals even more holistically and have the confidence to come up with creative solutions after having discounted other options."

Huge recognition also goes to Carmen Bacaoanu, our Head of Paraplanning, for supporting her through the course, having been through it herself several years ago.

Carmen told us:

"I'm incredibly proud of Thusha for achieving her Level 7 certification. This is a testament to her commitment to grow professionally and deliver the highest standard of service and expertise to our clients.

Attaining this level of excellence in the financial planning community does not come without sacrifices. It was a privilege to support Thusha on her journey and I applaud her resilience and determination.

When I think of Thusha one thing comes to mind: the sky's the limit."

Congratulations, Thusha!

Our upcoming masterclass webinar: Later Life Planning

Tuesday 22 October 2024 • 7:00pm

Hosted by Bruce Nash

There is still time to register for our upcoming Masterclass Webinar, hosted by Bruce Nash, on the subject of Later Life Planning.

Bruce will be building on his previous webinars around Estate & Legacy planning and bringing these into context for other later life planning considerations.

The webinar will last for 60 minutes, is free to attend, and will offer the opportunity to post questions prior and during.

To register, click the button on the left.



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

How do pensions and tax connect?

By Chris James and Carmen Bacaoanu

Understanding how pensions and tax connect is crucial for anyone planning for retirement. Pensions are regarded by many to be the most tax efficient way of saving for retirement in the UK.

All the money you pay into a pension personally qualifies for tax relief, which is an instant boost to your savings. In turn, it allows the fund to grow tax efficiently within the pension wrapper.

In this article, we'll explore the tax benefits of saving into a pension, the taxation of pension withdrawals, and the implications pensions have on inheritance tax.

Tax Benefits of Saving into a Pension

One of the key advantages of contributing to a pension is the tax relief you receive on your contributions. The two key ways to benefit from this tax relief are 'relief at source' and 'salary sacrifice/exchange'.

With salary sacrifice/exchange through an employer pension, your contributions are made from your pre-tax income, meaning you don't pay tax on the money you set aside for retirement. And since your National Insurance and income tax are calculated after this deduction, the overall tax payable will be lower. This can provide a significant boost to your pension pot over time and is a great way to save tax-efficiently.

For contributions made in this way, you don't need to do anything further to claim your tax relief.

If you have a personal pension, you can receive basic tax relief at source. This means that your pension provider will claim the 20% tax relief on your behalf and pay it directly into your pension pot, effectively meaning that for every £80 you contribute, HMRC adds an additional £20. Higher and additional rate taxpayers can claim back even more through their tax return at their highest marginal rate. Higher-rate taxpayers get 40% relief, and additional rate taxpayers get 45%.

As of April 2024, the Lifetime Allowance on pensions was scrapped, effectively removing the



cap on the total size of all your pension pots.

Withdrawing Your Pension: Tax Implications

When it's time to start withdrawing from your pension, the tax rules change. The first 25% of your pension pot can usually be taken as a tax-free lump sum. However, the remaining 75% is treated as income and is subject to income tax at your marginal rate. This means that if you withdraw a large sum in one go, it could push you into a higher tax bracket, resulting in a higher tax bill.

It's essential to plan how to drawdown your pension to avoid unnecessary tax charges. For instance, spreading out withdrawals over several years can help you stay within a lower tax band, reducing the overall tax you pay. Additionally, understanding the impact of the personal allowance (the amount of income you can earn before paying tax) is vital, as your pension income is counted towards this allowance.

It's important to work closely with your financial planner to ensure that you're withdrawing your income in a tax-efficient manner that also allows for the lifestyle you desire.

Pensions and Inheritance Tax

Pensions can also play a strategic role in estate planning, particularly when it comes to Inheritance Tax (IHT). Generally, pensions are not considered part of your estate for IHT purposes, which means they can be passed on to your beneficiaries tax-free in certain circumstances.

In most cases, lump sum death benefits from a pension scheme will be free of IHT. If you die before the age of 75, your pension can be passed on to your beneficiaries without them having to pay income tax on the withdrawals.

However, if you die after the age of 75, any withdrawals your beneficiaries make will be subject to income tax at their marginal rate. Despite this, the fact that pensions are usually exempt from IHT makes them a valuable tool for passing on wealth to the next generation.

You also have the option to nominate beneficiaries to receive your pension upon your death. This nomination can be changed at any time, allowing you to adjust your plans as your circumstances change.

What next?

With the Autumn Budget looming in October, there are rumours in the press about possible changes to pensions. We don't know what, if anything, those changes will be. If you have any

unused allowance that you were planning to use later on, it may be worth considering making a contribution now in case anything changes. Please make sure you speak to your adviser before making any changes or decisions.

Achieving a tax-efficient retirement requires careful planning and an understanding of the various tax rules surrounding pensions. One of the most effective strategies is to seek financial advice. A qualified financial planner can help you navigate the complexities of pension tax relief, withdrawal strategies, and estate planning, ensuring that you make the most of the tax advantages available.

If you would like to speak to us about pension planning or working towards financial freedom, please don't hesitate to get in touch.

Our Company Day Out

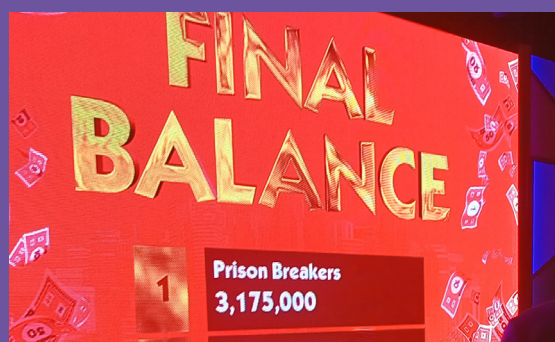
At Wealth Matters, we work very hard to make sure that our clients are receiving the best service and advice possible. But in amongst that hard work, we make sure that we also find time to have some fun and thank our staff for their dedication and commitment.

This is the premise of our Company Days Out. We hold these once a year, and they're a fantastic way for us to bond as a team and spend some quality time together outside of the office doing something fun.

Last Friday was our latest CDO. This time, we all got the train into London to spend the afternoon at Monopoly Lifesized. This is exactly what it sounds like - a life-sized, escape room style of Monopoly. We split into four teams - Prison Breakers, Winning Matters, Chrisbruces, and Wraps Confident - and solved puzzles and challenges to try to earn as much Monopoly money as we could against the other teams. We can be a competitive bunch, and it was a lively game, but Prison Breakers (made up of Chantelle, Thusha, and Kate) came out on top with M3,175,000.

We then went out for lunch at the Fitrovia Pub and spent the afternoon socialising over a few drinks. Most of the team headed back to Luton around dinner time, but some went on to a karaoke night at Boom Battle Bar.

Our Company Days Out are a highlight in the calendar, and they really help to re-energise us ahead of what we know to be busy seasons at the office. Our team is definitely all the stronger for it.





Our charity bike ride

On Sunday 15th September, eight determined cyclists - five amazing clients and four Wealth Matters staff - left from our head office in Luton to embark on a 55-mile trail through the beautiful countryside of Hertfordshire, Bedfordshire, and Buckinghamshire.

It was a fantastic day with plenty of challenges and triumphs. We began at the Luton office, setting off at 9:00am sharp. We cycled the bulk of the trail in the first stretch - a 28 mile run, at which point we made a very welcome coffee stop.

We then cycled on another 10 miles before stopping for a pub lunch. This stretch was by far the most hilly, but given how filling the pub lunch turned out to be, we were grateful to have got it out of the way before rather than after!

The final stretch was a smooth ride back to the office. We were met with a little rain around 4pm, but given how warm the day was it was very welcome and helped us to cool off a little.

We are extremely grateful to both the five clients who joined us for the bike ride itself, and for everybody who has made a

contribution. It was a challenging but rewarding day! We had a fantastic short video made of it - click below to watch it.



Fundraising total

Thanks to the generosity of the participants, our clients, and a stranger whose phone we found during the fundraiser who made a donation in thanks when we reunited him with his device, we have managed to raise a phenomenal £2,675 (at the time of writing), which far exceeds our target of £2,000.

The funds will be split evenly between our two chosen charities: **Oracle Cancer Trust** and **Rainbow Trust Children's Charity**.

These charities were chosen because they are very close to our hearts and members of the team have received valuable support from them in the past when they've needed it. Our contribution will enable them to help even more people in need.

If you haven't yet made a donation but would like to, please use the button below to do so. Your generosity is very much appreciated.

[CLICK HERE TO DONATE](#)



Dog Tales

During Toby's recent office visits, he's been hearing lots of planning taking place for Bruce Nash's upcoming webinar on Later Life Planning. As he's coming up on his ninth birthday himself, this got Toby thinking: what will his later life look like?

Although he has no offspring, and his assets consist mostly of chewed toys, expensive beds he refuses to use (the hallway floor is so much better), and the odd piece of canine knitwear, Toby realises that it's important nonetheless to give some serious thought to what happens to it all as he gets into his senior years.

Thankfully, for dogs this is a bit more straightforward. As their owners, we will continue to care for them and make them comfortable right up until their end days. But who will take care of us when we reach the same moments? How will we fund it? Where do we want to be cared for? And do we have all the necessary paperwork in place?

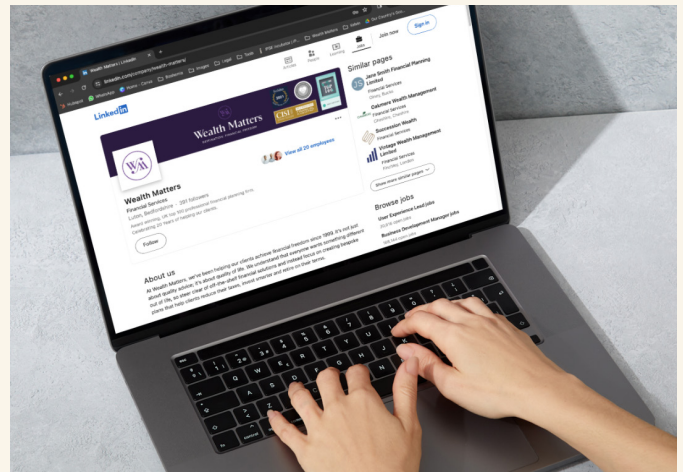
So this month, Toby's parting wisdom to you is this: come along to Bruce's webinar and give it some serious thought before the festive season kicks in and we're all distracted by the celebrations. Meanwhile, he's off to book a meeting with Julian to discuss his wish to withdraw his pension in the form of treats.



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



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